

PROPERTY OWNERSHIP AND THE DEVELOPMENT OF CAPITALISM,

1840-198⁰~~8~~: A CASE STUDY OF A SUFFOLK PARISH

Thesis submitted for the degree of Doctor of Philosophy at
the University of London, January 1990.

JAMES BARLOW

UMI Number: U048671

All rights reserved

INFORMATION TO ALL USERS

The quality of this reproduction is dependent upon the quality of the copy submitted.

In the unlikely event that the author did not send a complete manuscript and there are missing pages, these will be noted. Also, if material had to be removed, a note will indicate the deletion.



UMI U048671

Published by ProQuest LLC 2014. Copyright in the Dissertation held by the Author.
Microform Edition © ProQuest LLC.

All rights reserved. This work is protected against
unauthorized copying under Title 17, United States Code.



ProQuest LLC
789 East Eisenhower Parkway
P.O. Box 1346
Ann Arbor, MI 48106-1346

THESES

F

6755

x211111316

ABSTRACT

Much has been written in recent years about the role of landownership in British society and, particularly, in structuring the social relations of 'rural' areas. There has also been a growing interest in the way social processes are 'patterned' geographically and are themselves shaped by contingent spatial circumstances. This thesis has two basic aims: First, to examine the changing role of landownership - specifically, the relationship between capital and land - in the processes of economic restructuring in three economic sectors: agriculture, housebuilding and manufacturing. Second, to evaluate marxist rent theory as an explanatory tool for understanding the capital-land relationship, and draw some conclusions on the extent to which this theory can be operationalised. Finally, we will consider whether the capital-land relation imparts a unique stamp on the social processes effective in one specific location, a stamp which gives it a distinctiveness as a 'locality'. Landownership is therefore used as a way of examining the links between spatial relations and social processes, of probing the relationship between 'general' changes at the level of the British nation state and changes in one concrete location. The thesis takes as its case study a parish in West Suffolk and considers the way the capital-land relation has changed since the mid-nineteenth century, continually drawing on an analysis of the changes in Britain as a whole. Conclusions are drawn on the utility of rent theory, on the nature of 'locality' and on the role of landownership in structuring the social relations of contemporary 'rural' areas.

ACKNOWLEDGEMENTS

This thesis was begun whilst I was a postgraduate student at the London School of Economics. I would like to thank all my friends and colleagues in the Geography Department, and in particular my supervisors Prof. Doreen Massey, whose short visit to the LSE luckily coincided with my time there, and Mr. Roy Drewett, who provided invaluable assistance during the research. Many of my ideas were subsequently shaped following my appointment as Research Fellow at the University of Sussex, where the final touches to the thesis were completed. I would therefore also like to thank my friends and colleagues in the Urban Studies Division for stimulating the debate on geography, space and 'locality'. Many hours have been spent discussing these issues, without which this thesis would have undoubtedly taken a different direction!

I owe a particular debt of gratitude to Mr. Richard Deeks, local historian in Glemsford, for his invaluable help in guiding me through the village's records and setting up many interviews. I am, of course, also very grateful to all the individuals who agreed to be interviewed.

Finally, I would also like to thank the Economic and Social Research Council for the financial assistance that made this thesis possible.

<u>CONTENTS</u>	PAGE
CHAPTER 1 – INTRODUCTION	
1 AIMS	10
2 THE ‘LOCALITY’ APPROACH AND ITS LIMITATIONS	12
3 LANDOWNERSHIP AND RENT AS EXPLANATORY CONCEPTS	
3.1 Property ownership and capitalism	18
3.2 Landownership as a form of private property	22
3.3 Economic and social change in rural Britain	23
3.4 A note on ‘rural’ social space	27
4 METHODOLOGICAL ISSUES	
4.1 The choice of study area	29
4.2 The selected period for study	31
4.3 Case study data requirements	34
5 THE STRUCTURE OF THE THESIS	35
 CHAPTER 2 – LANDOWNERSHIP AND RENT THEORY: SOME EMPIRICAL OBSERVATIONS	
1 INTRODUCTION	38
2 MARXIST RENT THEORY	
2.1 Categories of rent	40
2.2 Sectoral variations in the formation of rent	44
2.3 ‘Fertility’, location and urban rent	48
3 SOME EMPIRICAL USES OF RENT THEORY	
3.1 ‘Sectoral’ rent studies	54
3.2 Rent theory and the production of the built environment	57
3.3 Rent and its social relations	62
4 RENT THEORY IN CONTEXT	68

CHAPTER 3 – RESTRUCTURING AND ACCUMULATION: AGRICULTURE

1	INTRODUCTION	71
2	STRUCTURAL CHANGES IN AGRICULTURE, 1840–1940	
2.1	Agriculture in its 'Golden Age' and 'Great Depression'	72
2.2	Property relations in agriculture: landowners and farmers	77
3	AGRICULTURAL RESTRUCTURING AFTER 1945	
3.1	Labour shedding, intensification and the 'farm sandwich'	92
3.2	The post-war growth of owner-occupation	98
4	CONCLUSIONS	103

CHAPTER 4 – RESTRUCTURING AND ACCUMULATION: HOUSEBUILDING

1	INTRODUCTION	105
2	STRUCTURAL CHANGES IN HOUSEBUILDING 1840–1914	
2.1	The housebuilding industry in the nineteenth century	106
2.2	Relations of ownership in housing development 1840–1914	110
3	STRUCTURAL CHANGE IN THE INTER-WAR YEARS	
3.1	The shift to owner-occupation	119
3.2	Relations of ownership in housing development 1918–1939	123
4	STRUCTURAL CHANGES SINCE 1945	
4.1	The housebuilding industry since 1945	125
4.2	Relations of production in housing development since 1945	133
5	CONCLUSIONS	138

**CHAPTER 5 – RESTRUCTURING AND ACCUMULATION:
MANUFACTURING INDUSTRY**

1	INTRODUCTION	140
2	STRUCTURAL CHANGES IN MANUFACTURING INDUSTRY, 1840–1940	
2.1	The manufacturing economy in the nineteenth century	141
2.2	The changing ownership of manufacturing capital	152
3	STRUCTURAL CHANGES IN MANUFACTURING AFTER 1945	
3.1	The growth of 'rural' manufacturing	157
3.2	The changing ownership of manufacturing capital	166
4	CONCLUSIONS	170

CHAPTER 6 – UNDERSTANDING RESTRUCTURING: THEORIES OF RENT

1	INTRODUCTION	173
2	AGRICULTURAL RESTRUCTURING AND RENT RELATIONS	
2.1	The nineteenth and early twentieth centuries	176
2.2	Restructuring after 1945	186
3	HOUSEBUILDING AND RENT RELATIONS	
3.1	The rise and fall of private rental housebuilding	193
3.2	The inter-war building boom	203
3.3	Housing development after 1945	205
4	MANUFACTURING INDUSTRY AND RENT	
4.1	Landed property and the textile industry 1840–1914	211
4.2	The 'ruralisation' of manufacturing industry	215
5	LANDED PROPERTY, RENT THEORY AND ACCUMULATION: AN ASSESSMENT	217

**CHAPTER 7 – CLASS RELATIONS, STRUCTURE AND AGENCY. THE
POLITICAL ECONOMY OF LAND IN BRITAIN AND GLEMSFORD**

1	INTRODUCTION	221
2	THE POLITICAL ECONOMY OF LAND AND INDUSTRY IN BRITAIN, 1840–1980	
2.1	Agriculture, manufacturing and the state, 1840–1940	222
2.2	The state and agricultural accumulation after 1945	230
2.3	Housing reform and the housebuilding industry, 1840–1940	234
2.4	Housebuilding, the state and planning 1945–80	239
2.5	The ‘ruralisation’ of manufacturing and the spatial division of labour	244
3	LANDOWNERS AND SOCIAL CHANGE IN GLEMSFORD	
3.1	Agriculture, manufacturing and local politics, 1840–1900	248
3.2	Housing and labour demand in the nineteenth century	260
3.3	The demand for housing and agricultural land, 1960–80	265
4	CONCLUSIONS: POLITICAL CHANGE, THE MARKET AND LANDOWNERSHIP	275
 CHAPTER 8 – LANDOWNERS AND LOCALITY. CONCLUSIONS		
1	LANDOWNERSHIP RENT AND SOCIAL CHANGE	281
2	THE CAPITAL–LAND RELATION AND ‘LOCALITY’	286
3	SOME IMPLICATIONS FOR FURTHER RESEARCH	292
APPENDIX 1 – SOURCES OF INFORMATION		295
APPENDIX 2 – DETAILS OF INTERVIEWS		301
APPENDIX 3 – PRODUCTIVITY AND PROFITABILITY OF GLEMSFORD FARM BUSINESSES		306
REFERENCES		308

TABLES

3.1	Landownership in 1873. Bateman's calculation	78
3.2	Distribution of property by wealth and type, according to Offer	80
3.3	Suffolk landed property in 1873	82
3.4	Total holdings of Glemsford farmers, 1840	83
3.5	Yield on capital invested, Kentwell Hall Estate	91
3.6	The changing purchase price of two farms	91
3.7	Change in the agricultural labour force	94
3.8	Type of output by acreage, 1982/1983	96
3.9	Glemsford farm's landownership structure	100
3.10	Landownership characteristics of main farming businesses	102
3.11	Some farm land sales in Glemsford	103
4.1	Changes in Glemsford's dwelling stock	108
4.2	Main housing landlords, 1840 and 1910	118
4.3	Average real land and house prices East Anglia	132
5.1	Change in employment and population, Glemsford, 1841-1881	149
5.2	Sectoral changes, percentage of economically-active population	149
5.3	Percentage employment change by region, 1959-75	159
5.4	Percentage employment change by type of area, 1959-75	161
5.5	Population change by type of district, 1961-81	161
5.6	Employment by sector, 1921-1981	162
5.7	Change in type of employment, 1931-1971	163
5.8	Change in type of employment, 1971-1981	163
5.9	Structure of employment, 1981	166
7.1	Number of households per dwelling, Glemsford	262

FIGURES

FOLLOWS PAGE

3.1	Land and produce prices 1840-1940	73
3.2	Concentration of landownership	81
3.3	Transfers in landownership	81
3.4	Concentration of land occupancy	83
3.5	Transfers in land occupancy	83
3.6	Kentwell Hall estate rents	87
3.7	Selected agricultural indicators 1940-1980	92
4.1	Housing completions, 1856-1916	107
4.2	Selected housing indices, 1856-1913	108
4.3	Transfers of land from agricultural to urban use	108
4.4	Housing completions 1920-1945	119
4.5	Private housing completions, land prices, building costs 1890-1939	121
4.6	Housing completions 1946-1980	127
4.7	Selected housebuilding cost indicators	128

ABBREVIATIONS

AR	Absolute rent
DOE	Department of the Environment
DR	Differential rent
EC	European Community
IRLV	Inland Revenue Land Valuation
KHR	Kentwell Hall Records
MAFF	Ministry of Agriculture, Forestry and Fisheries
MR	Monopoly rent
NFU	National Farmers' Union
PRO	Public Records Office
SAS	Small Area Statistics
SRO	Suffolk Records Office
TR	Tithe Record
UDC	Urban District Council

CHAPTER 1
INTRODUCTION

1 AIMS

This thesis has two primary aims. First, to examine the changing role of *landownership* - more specifically, the relationship between capital and land - in the processes of economic restructuring in three important sectors of production: agriculture, housebuilding, and manufacturing industry. Secondly, to evaluate marxist rent theory as an explanatory tool for understanding the capital-land relationship. This relationship, together with its value form - rent - is potentially of great importance in explaining features of urban and regional change, yet attempts to operationalise rent theories in the empirical context have often been less than successful.

In order to achieve these aims we will examine the changing social and economic structure of an area in East Anglia, placing the capital-land relation more centrally in explanations of restructuring and spatial differentiation. This allows us to escape from a relatively *undynamic* account of changes in social and spatial relations. While there is a considerable volume of research on the effects and nature of landownership, much of this has concentrated on the nature of landed property in a frozen historical

frame¹, the situation as it existed at a specific point in time. My aim is to take a much longer historical perspective and tease-out the changing economic and social role of landownership during this period.

Although this thesis examines a single parish, the emphasis is not solely on documenting its uniqueness in the face of broad, macro-level socio-economic shifts. Rather, its distinctiveness lies in the way it attempts to understand the underlying reasons for both the uniqueness of Glemsford and for its similarities with more general developments. In other words, the stress is on integrating the analysis of *general* processes with the *specific*, unique features of a single case study. In doing this we will attempt to draw some conclusions on the question of 'locality' and its constitution.

This introduction first considers some of the problems associated with the recent trend in 'locality' studies. Next, we examine why landownership is potentially an important dimension in understanding social change. We then discuss some methodological issues, especially those relating to the data requirements of this type of analysis

¹ Mingay (1963) and Thompson (1963) are exceptions to this general trend, taking a broader historical view of landownership. Tribe (1978) examines the changing meaning of 'rent' in economic discourse during the establishment of capitalism in Britain. Massey and Catalano (1978) and Offer (1981) deal with the contradictions between landed property and capital during specific periods, with the former covering the 1960s and 1970s, and the latter the late Victorian and early Edwardian years. Murray (1977, 1978) examines landed property and rent in more theoretical terms.

and problems in developing detailed analyses of rent and capital accumulation. Finally, the structure of the thesis is discussed.

2 THE 'LOCALITY' APPROACH AND ITS LIMITATIONS

In recent years there has been something of a revival in detailed empirical research on specific places. This has followed the argument of such authors as Massey (1984) that the configuration of economic features in a given location is crucial in influencing its position within the 'spatial division of labour'. The modification of general processes - i.e. structural trends arising by virtue of changing production relations - is not simply an economic question, though. As Rees (1985: 4) points out, political activity does not derive from some 'pure type of "consciousness of class position", but actually gains expression in forms which are mediated by the social relations which characterise particular localities'. One example of work showing this is Hobsbawm and Rudé's (1969) study which shows that rural social protest was by no means evenly spread across the country, even if there was a broad tendency towards this form of protest in the 1830s. Goodwin (1985) on the geographical development of council housing provision and variations in the role of local politics is another example.

But what exactly is 'locality research', and why has it become in vogue in the 1980s? There are basically two types of locality research. One approach places emphasis on the

analysis of economic and social restructuring in empirical spatial contexts. The concern is with the relationship between the international, national and regional dimensions of economic restructuring and the impact of these processes 'on the ground'. The ESRC-funded *Changing Urban and Regional Systems* (CURS) programme exemplifies this approach (ESRC 1985). The stress here is on the multiple dimensions of economic and social restructuring in a variety of British towns and cities, with analysis being conducted into a range of indicators including labour and housing markets, work culture, class, gender, ethnic divisions and so on. The object is to build up a picture of change in each locality, with links between this and the wider 'macro' or 'aggregate' processes being drawn (see Cooke 1987)².

While the CURS programme has perhaps received the most attention, it is by no means the only initiative underway. Another major research programme is the Social Change and Economic Life (SCEL) initiative, also funded by the ESRC. This has largely been concerned with the impact of changes in employment structure, employer/labour force strategies, and the dynamics of household relations on social stratification in another group of localities (see Gallie 1985).

² Although there are also other objectives, including the investigation of unique characteristics of places, and the nature of interdependency between this and more general characteristics (Gregson 1987).

The basic point about this work is that its emphasis on case study areas means that the outcome has often been to document the uniqueness and complexity of different places, rather than develop a comprehensive analysis of the relationship between structural trends and locally-specific agency effects. There have been few attempts to use locality-based studies to generalise about social/spatial relations. Indeed, Massey (1984) concluded that case studies of local experiences of economic restructuring can only provide a picture of the range of potential outcomes and that it is not possible to generalise from such case studies.

A second approach to locality research has been to avoid focusing on specific places, but to concentrate on processes, the argument being that more general trends could be obscured by an overemphasis on locally-specific areas. The research programme on *Economic Restructuring, Social Change and the Locality* based at the University of Sussex (see Savage et al 1987) aimed to examine a range of different issues - management/labour relations, variations in local state policy, variations in housing provision and the experience of owner-occupation - by carrying out research on each issue in a number of *contrasting* areas. This way, it was hoped to pick out common trends and possibly unique variations. This type of research is more concerned with analysing the role of local social processes and the links between locally-unique characteristics and macro-level processes (Savage et al 1987; Duncan 1986;

Gregson 1987).

What are the origins of this flurry of interest in locality? A number of factors can be distinguished. Broadly, 'locality' has been seen as a useful foil to overly functionalist explanations of economic and social change. As Smith (1987: 60) has put it, this type of research represents 'a search for the middle ground, an attempt to walk a knife edge path between polarised excesses of the past ... abstract theory on one side and ... empiricism on the other'. Savage *et al* (1987) note that concrete localities seem to offer the best medium through which to understand this relationship, since it is at this level that human agency is realised. This way, a balance between structural explanations for change, and an elevation of human agency could be achieved.

Another concern of locality approaches has been a dissatisfaction with existing attempts to explain changing social and spatial relations. One of the most influential models in recent years has been developed by Massey, especially in her book *Spatial Divisions of Labour* (Massey 1984). This account examines patterns of spatial differentiation in Britain in terms of the role particular places play in the division of labour, as employers seek optimum locations to maximise profitability. Some areas specialise in core management and research roles, others in branch assembly work roles. Massey (1984: 118) argues that 'if an economy can be analysed as the historical product of

the combination of layers of activity, those layers also represent in turn the succession of roles the local economy has played within wider national and international spatial structures'. The emphasis in the book is on the role of pre-existing labour market characteristics in attracting (or repelling) further rounds of investment.

However, Massey's work has left open a number of questions. While the emphasis is on the nature of the pre-existing labour market as a key to understanding the concentration of particular types of employment in particular areas, the approach in *Spatial Divisions of Labour* is essentially economistic, with local specificity being reduced to an area's employment base. Warde (1985) argues that Massey has not coherently explained what he terms the 'class combination rules' (*op cit*: 199) and what political effects might be expected from particular combinations. Warde also feels that Massey's approach neglects the variations in civil society and state intervention - the processes of labour power reproduction - which are crucial factors behind local specificity.

Another problem relates to the mechanisms of historical change in locational patterns: it is unclear whether these are the same between different rounds of investment (Warde 1985). More fundamentally, Cochrane (1987) believes that in her attempt to develop theoretical concepts which can cope with broad processes, yet also refer to unique regional or local spaces, Massey has moved towards to 'fragmented or

micro-structuralism, with many of the same problems as the structural Marxisms which (she) seeks to replace' (*op cit*: 358). By this he means that there is a continual narrowing of the typology of firms to take into account new contingent factors. As he notes, the 'discovery of an almost infinite taxonomy of necessary relations is of little help in the development of a more coherent theory of economic restructuring' (*op cit*: 361).

* * *

What, then, is the position of research into urban and regional restructuring in the late-1980s? Two points need to be made. First, the 'spatial divisions of labour' approach, while highly influential, contains a number of theoretical problems: there has, so far, been only limited development of adequate concepts for dealing with the mechanisms of social and spatial change; and this approach has had a tendency towards economism, although clearly the labour market is a significant dimension for local specificity. The spatial divisions of labour approach is therefore rather mechanistic, a flaw which is clearly manifest in the geological metaphor of successive 'rounds' or 'layers' of investment and accumulation. Second, locality studies have shown a tendency to take the labour market as their central research focus, with the result that empiricism without generalisation has been the rule. The emphasis on gathering data on the *effects* of economic restructuring in specific labour markets mean that it is consequently hard to elaborate on the *processes* of economic restructuring.

We must therefore draw the conclusion that it is *not* possible to explain changes in economic structure of particular sectors by focusing solely on micro-level, local labour markets. On the other hand, it is clear that labour markets *do* make a difference in terms of their influence on the location of capital investment. Where does this leave us in terms of the aims of this thesis? The main point is that it is necessary to search for concepts which help us to understand the dynamics of economic change while at the same time refer to unique, local features. One neglected methodology (at least in operational terms) is rent theory. The next section will examine the reasons why the capital-land relationship is *potentially* important in explaining the dynamic of restructuring, while keeping hold of locally specific characteristics.

3 LANDOWNERSHIP AND RENT AS EXPLANATORY CONCEPTS

3.1 Property ownership and capitalism

The concept of private property, the alienation of the means of production (and consequently the surplus value arising from production) lies at the heart of capitalism. But it is important to emphasise here that private property is something more than just a legal form. The formal institution of private property is simply a reflection of an underlying social relation between wage-labour and capital. Capitalism, the general production of commodities, is about setting-up and maintaining this exploitative relation. The 'historic quality' of capital, to use Marx's phrase from the

Grundrisse, is to develop the productive powers of labour, to raise society's productive forces above those required for simple reproduction of the means of subsistence ('the limits of its natural paltriness'. Marx 1973a: 325). Only by controlling this exploitative labour process can capitalist production fully develop.

How is this systematic control of labour achieved ?

Property was originally individualised and based on the labour of its owner - as Marx called it, 'a human being's relation to his natural conditions of production as belonging to him' (ibid: 491). In other words, it was possible for labour to reproduce itself autonomously, since it owned the means of production, and hence the surplus product of its labour. Exchange, under this system, is based on the exchange of equivalents at their exchange value. Clearly, without the elimination of this form of production it is impossible for capitalism to develop, so the pre-capitalist producer has to be divorced from his or her means of production (see Marx 1976: 874-875)³. We can therefore see the importance of removing the population from the land, the main condition of production in pre-capitalist society. And in this process the concept of private property is transformed. No longer is production exchanged as an equivalent, but the process

³ See the collection of papers in Kamenka and Neale (1975) for a discussion of property ownership during the transition from feudalism to capitalism.

'is now turned round in such a way that there is only an apparent exchange, since, firstly, the capital which is exchanged for labour power is itself merely a portion of the product of the labour of others which has been appropriated without an equivalent; and secondly, this capital must not only be replaced by its producer, the worker, but replaced together with an added surplus'. (ibid: 729)

In other words the product not only belongs to the capitalist rather than the worker, but it is no longer acquired by exchange since the capitalist is simply exchanging previously appropriated surplus labour. One important point should be made here. It is entirely possible for a propertied labourer to remain free of capitalist exploitation so long as he or she remains an independent labourer, 'able to produce his means of subsistence using his own resources, ... able to control the production process, ... (and using) the surplus that is the product of his labour' (Davis 1980: 138)⁴. But once 'the independence of the propertied labourer is eroded, or if autonomous production is rendered impossible, even for those who possess the means of production, the exploitation of the propertied laborer becomes a possibility' (ibid: 138).

It is not difficult to see why private property is the basis for the legal structure surrounding the modern capitalist state. 'The political constitution at its highest point is thus the constitution of private property. The loftiest political principles are the principles of private

⁴ This is clearly the case in some small remote rural areas within social formations dominated by capitalist production: see, for example, Jenkins (1979).

property' (Marx 1975: 166). The state acts as the guarantor of private property, using its legal 'superstructure' (and sometimes more overtly brutal methods of coercion) to maintain the system of property rights lying at the heart of capitalism. This has important implications for our understanding of property legislation. It is very easy to obscure the true nature of the relation between labour and capital under this legal-political institution: this is simply a reflection of a very real underlying socio-economic fact, the fragmentation of social labour into private, independent labour. From this we can understand the origins of the ideology surrounding private property under capitalism, for on the surface of this system of exchange based on the appropriation of alien labour lies 'the semblance of exchange ... a mere illusion, but a necessary illusion' (Marx 1973a: 509). In other words, the assumption is that everyone privately owns their conditions of production, and any attack on the capitalist mode of production is therefore seen as an attack on property as such (see Marx 1976: 1083).

* * *

These early attempts to shift formerly independent workers into a situation in which they had to sell their labour power in exchange for a wage were thus characteristic of the early history of capitalism. No overt compulsion is required to force people into such an unequal arrangement. 'No brutal force, personified by an overseer with a whip or some groups of armed men, appears to force the worker to give up

anything he has produced or owns himself' (Mandel 1976: 47).

3.2 Landownership as a form of private property

Historically, the way this divorce of producer from means of production has happened has *varied both through time and with location*. This idea is crucial for the purposes of this thesis because *these differences form a potential basis for local variations* in the role of the capital-land relation as a factor behind variations economic change. In Britain a separate class of landed property was instrumental in this process, but it must be emphasised that the form of private property cannot be pre-determined. Private ownership of *land by a separate social group* is not (and was not) the only possible story in the growth of capitalism. What are the implications of this *private* ownership of land by a class or social group separate from the bulk of occupiers? Massey and Catalano (1978: 25-26) write:

'Private landownership is *not*, as under feudalism, the basis of the fundamental class antagonism (the primary contradiction between capital and labour); the ownership of land does not in itself imply any control over the process of production, neither is its ownership a basis on which surplus product itself is either produced by or appropriated from the direct producers. The relations of private landownership are thus not so central as under a dominant feudal mode ... although such relations are not so central to the production of the surplus, they are nonetheless significant within the overall structure of the social formation'.

Rent, under this schema, is therefore a distributional relation binding together the owners and occupiers of the conditions of production. The form of the rent relation, however, the manner in which rent is realised, and the

nature of the parties involved and conflict between them is contingent on the outcome of class and social struggles. In capitalist society, then, the class struggle is between 'capital' and 'labour' and the ownership of land by a *separate class* is not essential for the exploitation of labour. But, while capital-land relations are less central than capital-labour relations, they *can* play a significant structural role in two ways. First, through their influence on the nature of accumulation in certain economic sectors. Second, through their influence on class formation via their effects on struggles over housing production and provision. This idea is therefore analogous with Giddens' theory of class and class conflict (Giddens 1976, 1979 and 1981), in which he sees class divisions founded in the system of production, yet at the same time acknowledges the importance of other axes of conflict. Essentially he sees class as an expression of economic exploitation, structured by a particular alignment of 'economy and polity'. Private property, he argues, is the 'crucial support to this differentiation, guaranteeing definite rights to the mobilization of economic resources, and ensuring the dominance of the "commodity form"' (Giddens 1976: 207).

3.3 Economic and social change in rural Britain

As we have already stated the aim of this thesis is to develop a better understanding of social-spatial relations and to present a more dynamic view of change. The emphasis is on the role of landownership and rent relations. How is it best to approach these questions? We have examined

concepts of 'locality' as a window for analysis and concluded that the theoretical analysis of economic restructuring is necessary, as well as detailed case studies of its effects in particular places. The locality through which this thesis conducts its analysis comprises a 'rural' area in East Anglia. The two main economic sectors which are examined are agriculture and private housebuilding. We will return to the question of whether a specifically 'rural' object of analysis exists. First, we need to consider the reasons for these choices.

Rural Britain has seen extensive economic and social change since the nineteenth century, with the almost wholesale substitution of one production sector for another - the agricultural, more specifically farming, industry has declined, while manufacturing has expanded in the the post-1945 period. Also, in recent years, there have been significant changes in patterns of commuting, population decentralisation, and the growth of owner-occupier housebuilding in rural Britain. The combination of these developments, as we will see, has meant that the fabric of rural areas has been transformed, and transformed in a highly visible sense.

A second reason is related to the issue of capital-land relations, for it is ⁱⁿ rural areas that these are perhaps at their sharpest. This is because of the crucial role of land in the agricultural production process and the housebuilding industry, as will be shown in subsequent chapters. Indeed,

it has been argued that the chief 'structuring' mechanism in rural areas is property ownership and, more specifically, the ownership of land, the main agricultural condition of production (Newby *et al* 1978). It should be stressed initially that the key focus of this work was the *political and cultural* hegemony of the farming community - it did not, in other words, attempt to explain the *underlying processes* of change. Newby *et al* 's argument is essentially that *property* should be the defining principle of rural society:

'The importance of land as a factor of production in agriculture, and the significance of agriculture in rural society, make property a far more important feature of the stratification system than either occupation or income *per se*' . (Newby *et al* 1978:26)

It is argued that there is:

'... an ideology of property which is truly hegemonic ... if we are to understand the sources of stability in the stratification systems of advanced capitalist societies then much more attention will have to be devoted to the institution of property and its ideological supports' (ibid: 351).

This work sees class structure in rural areas as shaped primarily by the nature of property relations rather than the division of labour. For example, one severe problem of these areas, the provision of cheap housing, is seen as the result of the way individual private landowners and large farmers dominate local politics, thereby promoting essentially preservationist policies (even though their power has to some extent declined with the growth of a professional local government structure). Another strand in this approach is to emphasise the influx of the ex-urban

middle class as a force for rural class change, although it is recognised that there are other agents of social change apart from these 'newcomers', with the state being accorded primary importance.

However, despite this recognition of the importance of these factors, the emphasis remains on the primary role of agriculture. 'Agricultural policy in post-war years', Newby writes, 'has been entirely singleminded in its aims. The production of cheap food has been encouraged at all costs and the view from the Ministry tends to be that the vitality of English rural society lies in the prosperity of its farmers' (Newby 1980a: 263). For much of the post-1945 period state intervention has tended to benefit the landowners and the large farmers by enhancing the investment value of land, whilst the main instrument of planning in the rural areas, the 1947 Town and Country Planning Act, has had an essentially negative impact, being designed to keep out undesirable 'non-rural', i.e. non-agricultural, activities. Rural society, then, is seen in essentially *agricultural* terms. Furthermore, it is argued that agriculture is a 'not altogether inappropriate area in which to begin an examination of property relationships in British society generally' (Newby *et al* 1978: 26).

We can say, therefore, that land ownership *can* have an effect on social 'stratification'. But the problem with such a view of property is that the concepts used are pre-given and ahistorical (cf. Bradley 1981). Nowhere is there any

discussion of the processes creating and reproducing particular property relations, or of the different meanings of those relations in specific historical and locational settings. Property is seen as an historically-unchanging category, even though the work has an historical perspective. My criticism of this approach is therefore that it fails to make the distinction between property ownership and landownership, with the result that it cannot recognise that the latter is only *potentially* a 'stratification system' of capitalist societies. Whether it actually is important depends on the specific configuration of capital-land relations and, not least, on whether there is a separate social group of landowners. Secondly, the hypothesis which places 'the production of food at the centre of rural life ... and which sees many of the observed changes in rural England as being related, either directly or indirectly, to changes in the system of agricultural production' (Newby 1980b: 261-262) is misplaced. The thesis aims to show that we need to expand the analysis of rural areas to consider both the structural changes to the ownership of agricultural land and means of production *and* the changing spatial division of labour.

3.4 A note on 'rural' social space

The question of what constitutes a 'rural' area is contentious. It is not possible, I believe, to talk about relations between 'spaces' as such. We cannot, for example, conceptualise 'urban' areas exploiting 'rural' areas, or 'centre-periphery' dependency, without explaining *why* it is

that certain exploiting and exploited institutions or classes are located when and where they are located. As Urry (1985: 47-48) has remarked,

'... the category of the "rural" seems neither to constitute an entity with specifiable causal powers, nor a range of empirical phenomena which stands in a coherent relationship to particular causally powerful social entities. It should be regarded, therefore, as a "chaotic conception" ...'

The important point is that abstract 'space' in itself has no causal powers. Space *always* makes a difference to our conceptualisation of a problem, but the difference is in terms of the causal powers of the objects comprising that space. As has been frequently noted, it is the relations between objects that causes change (see Sayer 1984a, 1984b, 1985; Urry 1981a; Gottdiener 1985). Space is not therefore absolute, independent of the objects or processes comprising society, yet neither must we reduce space to these objects. The question is, rather, one of specifying which empirical features objectively characterise rural areas. Urry (1985) has argued that it is possible to characterise rural areas using several criteria. For example, we can say that the economy in such areas is dominated by a particular activity - agriculture - or by particular patterns of social reproduction and struggle which surround the ownership and control of the agricultural means of production. Another alternative characteristic is the difficulty in providing collective means of consumption because of the low population densities in rural areas. And today, argues Urry (1985), changes in both the spatial division of labour and

in the nature of civil society make the whole notion of rural and urban society increasingly dubious. However, it should not be overlooked that there are also *expressive* meanings attached to the 'urban' and the 'rural', meanings which are both historically-and culturally-specific (Williams 1975; also see Sayer 1984b) and which may in themselves influence social action. The important point, then, is that we are dealing with an area characterised by an economic emphasis on agriculture (for much of the period under analysis), and on this basis Glemsford should perhaps be considered as 'rural'.

4 METHODOLOGICAL ISSUES

4.1 The choice of study area

Clearly, from the study of a single 'place' (whether a 'locality' or not) we cannot make general claims. However, the aim of the thesis is not to rebuff suggestions that 'space does not matter' in the study of social and economic change, in which case it *would* be necessary to examine several locations. Rather, the aim is to understand the relationship between particular social and economic processes and specific conditions 'on the ground'. In this sense, then, a single case-study is acceptable. As Pahl (1984) points out, there is no such thing as a typical case study. Rather, it is through the study of *specific* cases - at whatever geographic scale - that we can see the way all-embracing social processes are patterned unevenly in space.

As argued above, this thesis deals primarily with the way

broad social processes are shaped by, and themselves shape, specific empirical conditions. In order to select a suitable area for analysis, it was necessary to consider which 'broad processes' are relevant in this case. Two related trends are significant: (i) socio-economic shifts in the structure and organisation of the farming and manufacturing industries and in the production of housing; (ii) the changing role of landownership in these sectors. The study of these trends meant that the principal requirement was the choice of an area where farming had historically formed an important element in the economy, and which had exhibited substantial population growth and new housebuilding over the years. As will be seen in Chapter 3, East Anglia has been (and still is) a key farming region. It has also, in recent decades, experienced considerable population growth and relatively high rates of new housebuilding, as well as important shifts in its economic base. The combination of these facts meant that landownership potentially played a significant role in shaping the village's social and economic structure.

From a preliminary examination of socio-economic and population trends in East Anglia, including discussions with district planners and a local historian, Glemsford was selected. The parish exhibited the three important characteristics of a historically-significant agricultural sector; landownership by a distinct group; and considerable rates of housebuilding and population growth. In practice, of course, countless villages and small towns could satisfy these requirements, but Glemsford was favoured because it it

had been a relatively self-contained labour market, with only limited commuting before the 1930s. For much of the period under analysis, the majority of the parish's workforce was employed either in the local agricultural system or in a number of local factories. This meant that the impact of wider social processes would be more clearly visible than in a labour market characterised by a lower degree of self-containment. Glemsford also proved to be a good choice because the parish's history was extremely well documented.

Perhaps, however, the last word on the selection of case-studies should go to Richard Jefferies, the nineteenth century writer and observer of English rural life. In 1872, after witnessing a period of several decades of prosperous capitalist agriculture, he wrote:

'A rural parish, if a well-selected specimen, forms of itself a miniature state and contains representatives of the chief varieties of human life. It has the political boundaries, within which it enjoys considerable self-government ... It has its constitutions, and its geography ... one or more special products for export. The vestry forms an independent local council ... The counties were composed of a collection of such parishes, and each county also, in a more distinctive way, resembles a separate kingdom. England herself in this agricultural age, which came up till within fifty years, was a collection of such counties ... To appreciate the changes progressing in rural society, it is necessary to revert to the smallest division - the parish'.
(Jefferies 1979: 72-73)

4.2 The selected period for study

The empirical examination of property relations begins around 1840 and takes us through to the present-day. Why

begin at this date, for capitalism began transforming landownership long before the nineteenth century as will be shown in Chapter 3? There are a number of reasons why I believe the 1840s are a good period to start the analysis. These relate to the fact that the study is dealing with property relations in a dynamic structure, the British capitalist system⁵. As will become clear, certain important events had taken place, or were about to take place by this decade⁶. In economic terms, the 'industrial revolution' was beginning its second phase, based on the production of capital goods, a change marked by the abandonment of 'extensive' for 'intensive' methods of exploitation (the extraction of greater rates of surplus value through increased mechanisation and shorter working hours: see Hobsbawm 1969). It has also been argued that by this period a coherent working class had been formed, with most privileged trades converted into deskilled wage labour and possessing a certain degree of class consciousness (Thompson 1968: 212). Taking the simplistic, one-dimensional measure of 'wage employees' we find that in Glemsford at least it was certainly the case that in numerical terms there was a

⁵ Although the history of ownership relations in highland Scotland and Ireland are alluded to, the background analysis is biased towards lowland England. Wales and lowland Scotland also had similar social and economic histories (see Douglas 1976 for a detailed analysis of the situation in these areas).

⁶ Good general accounts of the Victorian economy are to be found in Hobsbawm (1969 and 1977), Best (1971) and Dobb (1963).

significant working class, with 44 per cent of the total workforce falling into this category (see Chapter 5).

In agriculture, important new technical developments such as the use of fertilisers were rapidly increasing yields. In East Anglia arable farming, which dominated the area's economy, had become consolidated as a capitalist enterprise during and immediately after the Napoleonic Wars. Enclosures were largely complete by 1850, and the tri-partite order of landlord/capitalist tenant farmer/landless agricultural labourer, which underpinned the contemporary social structure, had become established (Newby 1977: 27).

Politically, important changes had also occurred. For example, Poor Law reform and the Municipal Reform Act (1834) remodelled local government, thereby altering the relationship between the local and central state. Finally, the political position of landed property was changing with the abolishment of the Corn Laws in 1847.

Generally, therefore, capitalist society in Britain was entering a new phase in its development, with significant changes occurring both in the economy and in civil society. These changes had important ramifications for the structure of property ownership. There is, however, also an important logistical reason why the 1840s provide a good starting date: the Church conducted a major tithe survey during this decade (in Glemsford the survey was carried out in 1840), and a list of all legal owners and occupiers of property

subject to tithe surcharges is available at a parish level in County Records Offices. This provides an invaluable basis with which a picture of landownership at this date can be drawn up.

4.3 Case study data requirements

It was stated above that marxist rent theory is the main conceptual tool for analysing the changing capital-land relation. How can we best make use of rent theory for our analysis, though? This question will be dealt with in the next chapter, but for the moment the main point to stress is that while information on the *agents* involved in landownership and production is available, there is something of a paucity of information on land prices, production prices, and profit rates, the essential data required for a rigorous economic analysis of rent. This thesis has therefore adopted an approach which concentrates on the changing relations between agents, rather than attempt a detailed analysis of rent flows (see Chapter 2). In this light, two main categories of data were required in order to carry out the case study:

(i) the structure of property ownership: the ownership of land and housing property, and the occupation of farmland; information on wealth, death duties and probate; and information relating to the history of particular families: age of members, size, etc. The aim here was to examine the way the structure of land and property ownership had developed during the last 150 years, and to build up a picture of the relations between owners over time;

(ii) the development of the local economy and social structure: the changing pattern of employment; the links between local landowners and capitalists; and the nature of housebuilding and housing tenure. This was necessary in order to analyse the role of land and property owners in the development of a capitalist economy in Glensford.

Three main sources were used to obtain this information: primary sources comprising historical documents such as the Tithe Register, Death Duty Registers, Census enumerators' forms, wills; secondary sources such as the Census, trade directories, and press reports; and a series of structured interviews with a number of 'key agents'. Appendix 1 provides details of information sources, and Appendix 2 covers the interviews.

5 THE STRUCTURE OF THE THESIS

Having outlined the main objectives of the thesis and the approach taken, we need finally to briefly discuss its structure. The methodological questions discussed above give the analysis a logical structure. It is initially necessary to examine the basic potential effects of private landownership. Firstly, therefore, I discuss rent theory (Chapter 2). Given the existence of private landownership in this country, how might it shape production relations in the main land using industries? The next three chapters examine the relations of production and accumulation in agriculture (Chapter 3), housebuilding (Chapter 4) and manufacturing (Chapter 5), with special emphasis on the changing levels of

output, product prices, costs and land prices. In these chapters we also discuss the evolution of property relations in each sector, especially the relationship between capital and landowners. These chapters deal with the situation both in Britain as a whole and in Glemsford, highlighting the similarities and differences between the 'aggregate' or 'macro' level with those of the case study area itself. Chapter 6 re-assesses the utility of rent theory in allowing us to understand these changes in production and ownership relations. It is argued that rent theory can only take us so far: a number of features described in Chapters 3-5 remain unexplained. Chapter 7 therefore develops a fuller explanation of the trends, calling up a deeper political-economic analysis, as well as emphasising the need to consider the actions of individual agents when dealing with the 'micro' level in the case study area.

In order to compare and contrast the changes - both economic and socio-political - I have chosen a framework whereby a description of developments in Britain and developments in Glemsford are juxtaposed and inform each other. Discussion of the 'economic level' - production changes - leads the discussion of socio-political trends because I see the parameters of conflict in the latter being broadly set by changes to the pattern and organisation of the economy, although it is recognised that both are inextricably bound together.

Finally, in the concluding chapter (Chapter 8) the role of

landownership relations in explanations of economic and social change is re-assessed and some implications for the characterisation of rural social change are considered. Conclusions are also drawn on the extent to which Glemsford can be seen as a 'locality' because of its particular history of property ownership; and on the validity of using 'locality' as a way to understand structure and agency.

CHAPTER 2

LANDOWNERSHIP AND RENT THEORY.

SOME EMPIRICAL OBSERVATIONS

1 INTRODUCTION

A key aim of this thesis is to examine the utility of rent theory as a tool for understanding the capital-land relationship. This relation, and its value form, rent, is potentially a crucial dimension for explaining spatial differentiation. Theories of rent form some of the earliest concepts in economics. Pioneers of the discipline regarded the understanding of the origins and distribution of rent as a central issue in political economy. As far back as the 1600s land rent was seen as the net yield on agricultural land, with William Petty providing one of the earliest analyses on the formation of agricultural rents (see Clark 1987). Adam Smith, a century later, made the first major attempt to formulate a comprehensive land rent theory, and his work contained elements which both Ricardo and Marx were later to develop¹. This chapter examines Marx's rent theory, its subsequent refinements, and some attempts to use it empirically. The objective is to understand the limits of rent theory as an analytical tool, and to consider how best it can be used in an operational sense.

¹ This thesis does not discuss non-marxist theories of rent, nor does it examine the origins of rent theory. For a discussion on these issues see Clark (1987) and Tribe (1978).

Another key aim of the thesis is to examine the extent to which the specific parameters of the capital-land relationship in the case study area represent a major process of spatial differentiation, giving the place a distinctiveness as a 'locality'. The point to bear in mind is whether the structure of land and property relations in Glemsford gives it a specific set of causal social and economic processes. In order to achieve this, it is necessary to consider the changing form of landownership and its relationship with the social and economic development of the parish. We will, in this chapter, delimit the 'causal powers' present within the social structure of capital-land relations and consider the realm of possible contradictions and conflicts. Later chapters will ask empirically whether (or how) these relations emerge, both in Glemsford and at a more 'macro' level.

The first part of the chapter considers Marx's basic rent theory and the debates surrounding it. These largely focus on the alternative ways in which rent is created and appropriated in different sectors of production. Next, we discuss the role of space and location in rent formation, with particular reference to the urban context. In Section 3 some ways rent theory has been empirically operationalised are considered. Finally, in Section 4, we consider the most appropriate ways it can be used and the approach taken in this thesis.

2 MARXIST RENT THEORY

2.1 Categories of rent

The traditional argument is that because rent is not a necessary structural feature of capitalism it represents a potential source of conflict, depending on, for example, the nature of the valorisation process, the ability of particular sectors to overcome any barriers posed by landed property, the role of landowners in reproducing power relations and so on. We saw in the previous chapter how the existence of private property ownership was a crucial condition for the growth of a capitalist society, and that the private ownership of land represents a major form of private property. Land as private property also represents a prerequisite for the existence of rent relations. Rent cannot, of course, be appropriated without the panoply of social relations surrounding land ownership. But how does rent affect the accumulation of capital?

Marx's fully-developed theory of ground rent is found in Section 6 of *Capital*, Volume 3 (Marx 1981), where he argues that there are four analytically distinct categories of rent: differential rent 1 and 2 (DR1 and DR2 hereafter), absolute rent (AR), and monopoly rent (MR). These types of rent are distinguished by the conditions under which they arise. Of the various rent types, MR is generally seen as a 'special case', requiring the existence of a product commanding a monopoly price. The basis for MR is the existence of such a monopoly, or the ability of landowners to extract a rent which pushes the price of a product above

its value. This can occur, for example, where land has special properties essential for production or, alternatively, where rent creates a monopoly price because of the existence of landed property as a barrier to the free-flow of investment capital. This latter case is, at first sight, very similar to AR (see below), but does not originate in the production of surplus profit *within* a sector, merely from the ability of landowners to force prices to an arbitrary monopoly level. In an agricultural context, MR was not thought to be of particular importance by Marx, although it has been argued that it may well be significant in the urban realm (Harvey 1982; Fine 1979; Clark 1987). Far more important, according to most writers, are AR and DR. I will now examine both these rent categories, placing special emphasis on the necessary conditions under which they arise, before moving on to consider the differences in rent formation and appropriation that exist between sectors of production.

Absolute rent (AR) is essentially related to the structural composition of capital in a particular sector of production. Its basis lies in the ratio of constant to variable capital, whereby sectors with high rates of surplus value production (i.e. because of a low ratio of constant to variable capital) are regarded as being more prone to AR. Given the tendency for rates of profit to equalise between sectors over time, it must be stressed that the *actual* existence of AR in a given sector is dependent on the ability of landed

property to prevent this free flow of capital. Marx (1981: Ch.45) felt that agriculture, with its characteristically (at that time) slow rate of technical change, was a prime candidate for the existence of AR. By demanding a rent even on marginal and sub-marginal land, landed property was able to prevent the equalisation of profits and also prevent a rise in the organic composition of capital. In Volume 3 of *Capital* (1981: 889) Marx very clearly saw AR as case whereby landed property actually produces rent itself, rather than merely appropriating a portion of surplus value from the total pool of surplus value. And, as he puts it, it follows that 'in this case it is not the rise in the product's price that is the cause of the rent but rather the rent that is the cause of the rise in price' (Marx 1981: 897).

It has been argued that the analysis AR represents the major difference between Marx and Ricardo, while DR is essentially simply a refined version of Ricardo's rent analysis (see Clark 1987 for a discussion). A number of authors have disputed this view, believing that the analysis of DR is fundamentally different from the Ricardian approach, being based on average rather than marginal prices of production. It is felt that this type of rent depends as much on the existence of landed property as does AR, rather than being a mere technicality, arising through fertility or locational differences².

² See Ball (1977, 1980; Fine 1979, 1980; Harvey 1982).

The general view is also that AR (and MR) are relatively insignificant in 'normal' conditions, while DR is of much greater importance. This type of rent arises in situations where the composition of capital corresponds to the social average, so that value corresponds to price of production for a given product (and, hence, there is no basis for AR), *but* distinct fertility differences exist between sites. In this case the market value of a product is fixed by the price of production on the worst land, while producers on better 'quality' land accrue excess profits which may be appropriated in the form of DR by landowners.

Marx distinguishes two types of DR. In the first case (DR1) differences in surplus value are produced by the application of equal amounts of capital to lands of *varying* fertility or locational advantage. As has been pointed out, DR1 is conceptually similar to Ricardo's extensive margin. Marx was simply concerned with some of the implications Ricardo drew from his analysis (Ball 1977; Clark 1987).

DR2, on the other hand, arises where there are different rates of surplus value production due to the application of different amounts of capital to lands of *equal* fertility or locational advantage. Its importance lies in the economies of scale and excess profits produced where investment exceeds an average, 'normal' level for a given sector (Fine 1979). Competition ultimately reduces these excess profits to the normal level, therefore DR2 is generally seen as transient, disappearing when the higher levels of investment

become the norm. In this situation DR2 is, in effect, transformed into DR1. The two type of DR do not, therefore, occur in isolation from one another (Marx 1981: 870-1; Harvey 1982: 356).

2.2 Sectoral variations in the formation of rent

To what extent do the effects of rent differ, depending on the sector of production? Some writers have stressed the specificity of agriculture³. The controversy is largely over the effects of DR on the accumulation process, and the distinctiveness of agriculture as a sector of production.

Ball (1980: 322) argues that the process of capital accumulation is such that capital is not free to move between lands, 'flitting from one with the highest marginal product to the next, and so on'. It has often been argued that there are problems of accumulation specific to agriculture, notably its uncoordinated nature and massive fluctuations in output and market price which make agricultural investments highly speculative. As Ball puts it, 'neat arrays of marginal products and fixed market prices do not enter the accumulation process' (ibid: 322). Agriculture is quite different from manufacturing industry because of the peculiar characteristics of land as a condition production: commodities are grown in it rather than produced on it, therefore natural fertility differences can be significant and its private ownership represents the

³ See the debate between Ball 1977, 1980 and Fine 1979, 1980 which revolves around this issue.

ownership of a fixed, non-reproducible condition of production. Murray (1978) has argued that capitalist agriculture must be distinguished from other industries because it is a 'transforming industry', dominated by natural factors and rhythms:

'It has to i) create and maintain conditions for the transformation; ii) supervise the transformation; iii) appropriate and separate the transformed elements; iv) transport them. Capital's main technical problems in such circumstances are diminishing the production period, shortening the times between production periods, separating the commodities into usable forms, and transporting them without deterioration'. (ibid: 11)

But the transformation period is largely subject to nature. As Murray argues, 'Capital in its drive for speeding up turnover time runs head on into nature's rhythms and variety, into the material awkwardness of the soil' (ibid: 12).

These specific features of agriculture have meant two things. Firstly, the industry's ability to produce a given output through *intensive* development of the most fertile areas is limited, with the result that most development is *extensive*, on land with varying degrees of fertility. Secondly, agricultural products are sold as commodities at market prices tending towards prices of production at the margins of production (on the least fertile land), hence labour productivity and rates of return on capital have varied spatially (and have thus varied for reasons other than simply the investment of capital). The necessity under capitalism for private property rights, Murray argues, coupled with the 'awkwardness of the soil' is the basis for

capitalist ground rent in agriculture.

In agriculture, rent can have a direct effect on accumulation, the determination of value and on prices of production. To what extent is this the case in manufacturing industry? Ball (1977) has described the effects of landed property in this sector. He contends that exchange values are not determined at the margin of production, but according to the 'normal conditions of production', i.e. by the dominant contemporary methods of production. If an industry can gain productivity advantages by locating at a specific site, the normal conditions of production will remain equal to those of the majority of capitals. Those locating at advantageous sites will gain excess profits which can potentially be extracted as rent (although it does not enter the process of value determination). In manufacturing industry more productive sites only effect the average labour time required to produce a commodity and generally the process of accumulation will lead to less productive capitals investing additional capital to overcome this competition. In agriculture, however, because of the need to pay rent, the inequality in prices of production on different lands is perpetrated, and there is only a restricted convergence towards the norm. This contrasts with manufacturing industry in which there is a tendency driving production towards the most efficient technique.

We saw above how DR2 is essentially transient. In manufacturing industry, therefore, because of the way

exchange values are determined DR in the long-run will be eliminated as prices of production are equalised. Whether AR is a problem, though, depends on the composition of capital in that sector and on the extent to which landed property can erect a barrier to the free flow of capital between sectors. Clearly, spatial variations in profits can, and do, arise for a variety of reasons. These variations can be the result of differential rates of capital investment.

Alternatively, variations in the quality and cost of labour between spatial labour markets can be significant. Spatial variations in profit may therefore be present in both agriculture and manufacturing industry. The reasons for unequal rates of profit agriculture are straightforward – natural variations in fertility coupled with extensive exploitation – but there are also potential spatial variations to be exploited by manufacturing capitals.

* * *

Having outlined the basic conditions under which the four marxian categories of rent arise, and examined some basic differences in rent formation between agriculture and manufacturing industry, it is necessary to consider the role of geography or location in the formation of rent. We have already alluded to its importance in the discussion of fertility and locational differences and DR. This is particularly important, for it has been argued that in the urban context *location* is an essential determinant of land rent.

2.3 'Fertility', location and urban rent

In discussions of land rent 'fertility' should not be taken too literally. Essentially it refers to any type of location-specific advantage, potentially present in any sector of production. However, Marx's treatment of space was not especially rigorous, with most of the emphasis being placed on the role of spatial or locational variations in productivity. Harvey (1973, 1982, 1985), in particular, has attempted to rectify this

In his earliest work on rent theory, *Social Justice and the City* (1973), Harvey places particular stress on the notions of 'absolute' space - the characteristic of mutual exclusion - and 'relational' space between objects or points, dependent on contingent features such as the current state of transport technology. According to Harvey, the monopolisation of absolute space lies behind all forms of rent, although he points out that absolute space is 'in general overcome by the interaction between different spheres of activity in different locations and the relative attributes of space emerge as the guiding principle for the establishment of both differential and absolute rent (ibid: 184). This notion has been criticised by Clark (1986), amongst others, who feels that Harvey fails to clarify both the mechanism by which absolute space is overcome and that he ignores the organic composition of capital issue (see below).

More recently, Harvey (1982) has attempted to rectify some

of the deficiencies in *Social Justice and the City*. In particular, he has examined the role of changing production technology in altering the spatial equilibrium of profits (Harvey 1982: 388-395). The introduction of new production techniques, he argues, disturbs the conditions of equilibrium, leading to a locational reaction by producers and a reactivation of spatial competition. This can take place in several ways. First, producers with superior production techniques tend to extend their market areas at the expense of other producers, who either have to shift their location or adopt the new technology. Second, when producers increase the technical and value composition of capital employed, there is a tendency for a decrease in the demand for labour and for wage goods, and for an increase in the demand for means of production. Third, an increasing technological composition of capital leads to changes in the demand for particular types of labour, for raw materials and other general locational requirements. The actual effects of these trends on locational patterns are, of course, highly complex, but the important point is that during the time prior to the establishment of a new spatial profit equilibrium, the opportunity for certain capitalists to acquire excess profits exists. Harvey also emphasises that 'the search for excess profits through technological change is not independent of the search for excess profits through re-location' (ibid: 393).

In recent years, the debate has turned to discussions of the social production of space and the significance of

produced space for the reproduction of social relations⁴. The gist of the argument in these discussions is that if the object of analysis is purely to develop theory relating to social structures and causal powers, it is permissible to abstract from spatial form - the content of space. However, we must always be aware that the concrete configuration of spatial forms *may* make a difference to the outcome of social processes. Since these discussions tend not to deal explicitly with the mechanics of rent theory, I will not examine them further.

Concepts of absolute and relative space are, however, particularly important in the analysis of rent in the 'urban' context. As Harvey (1973: 186) has pointed out, rent is 'simultaneously influenced by alternative and neighbouring uses', with 'the value of one parcel of land (containing) the values of all other parcels at the present time as well as the expectations of future values'. In other words, it is crucial to consider the way in which the spatial configuration of land values is altered by shifts in the relational characteristics of space, and by the expectation of future potential land uses. In the 'urban' context, with often rapidly changing uses of the built environment, such notions are clearly of some significance. Unfortunately, as we will see later, Harvey's own first attempts to use these concepts in empirical analysis have

⁴ See Lefebvre (1976, 1981), Smith (1984), Soja (1985), Sayer (1985), Gottdiener (1985).

been heavily criticised, principally because of his reliance on the monopolisation of space as a generative mechanism for absolute rent. There are two main issues at stake in the debate over 'urban' rent formation: the extent to which barriers to the equalisation of profits exist; and the extent to which land has a distinct role in 'urban' land uses as compared with agricultural uses.

Essentially, the first question is over the role of AR in the urban context. Two sharply contrasting positions are those taken by Ball (1985a) and Clark (1987). According to Ball, in agriculture production can move onto land which previously paid no rent, but this is not possible in urban development. AR is, in this way, established at the absolute margin of production. This is hotly disputed by Clark, who argues that Ball 'seems to be saying ... that either the level of absolute rent is established at the absolute margin, or else it does not exist' (Clark 1987: 70). He feels that barriers can exist which prevent the employment of land already producing a given level of DR. Landowners can hold out for more than this level, hence creating AR. In this way, AR can be seen to exist in 'the dense urban setting at relatively high levels of differential rent' (ibid: 70), and not simply at the margin.

The role of AR in the 'urban setting' is controversial. Perhaps the most common argument is that it plays a part in the structure of speculative housebuilding industries (Ball 1983, 1985b; Dickens *et al* 1985). We saw how the existence

of AR is partly dependent on the technical composition of capital in a given production sector, specifically, the presence of a low organic composition. This characteristic has historically been a feature of the housebuilding industry in Britain. There have, however, been accusations of tautology to this argument: AR can be regarded as both a cause and an effect of the low organic composition, and low productivity, of housebuilding. We will return to this issue in Chapters 4 and 6.

The second controversial question is over the role of land in agricultural and urban uses. Broadly, land is regarded as an *element* of production in the former (i.e. as entirely productive) while urban land is merely a *condition* of production (i.e. its site or location). Confusion exists because of the differences between agricultural products, which have (in theory) a uniform market price and variations in production costs, and buildings, with similar production costs and different market prices. It has been stated that because of this fact, land rent (rather than building rent) plays a relatively limited role in urban settings (e.g. Ball 1985a). This position has been criticised, again, by Clark (1987), who sees it as a result of the conflation between land and building rent (cf. Smyth 1985a). It is more correct to view building rent as amortised interest on the capital invested in the building and land rent as a representation of the capitalised future expected returns from the activity on the given site. He argues that developers and financial

institutions 'compete with and take over the role of landowners in their efforts to secure urban land rent income' (ibid: 76), but this does not mean land rent is non-existent or unimportant in the production of the built environment.

3 SOME EMPIRICAL USES OF RENT THEORY

We have discussed rent theory in essentially abstract terms and it has been noted that the form of the mechanism for the production and appropriation of rent depends on the empirical context. Fine (1980) has argued that there is no 'law'; Marx has stressed that the processes are historically contingent. How, then, has rent theory been 'applied' empirically? To what uses has it been put? There have been three basic ways in which rent theory has been used:

(1) to examine the role of landed property and rent within specific sectors of production. This approach has been broadly 'aspatial', concentrating particularly on the economics of production and effects of private landownership.

(2) to examine the production of the built environment, the shaping of specific urban areas by landownership relations. Office development and house building have been two major foci for these types of study.

(3) to examine the changing social relations between capital and landed property. This approach focuses especially on the barriers to accumulation posed by landowners and the varied

attempts by capital to overcome them.

Each of these models takes a different approach to the study of the effects of landed property, although all are grounded in a rent theory framework. In this section I wish to examine some examples of these approaches in order to consider the limits of rent theory as a conceptual tool. We will then move on to extract a workable framework for use in this thesis.

3.1 'Sectoral' rent studies

This approach emphasises the role of landed property in the development of the accumulation process in particular economic sectors, and the impact of land rent on the production process. In his paper on the restructuring of the coal industry, Fine (1985: 108) attempts to show that

'the industry's changing fortunes were in part a production of the impact of the private ownership of land ... we put on one side the significance of the capital-labour relationship by concentrating exclusively upon the capital-land relationship ... our intention is to stake a claim for the importance of examining the significance of landed property in capitalist industrial development. It is further to emphasise the necessity of understanding the specific historical circumstances in which landed property intervenes in the accumulation of capital'.

Attention is placed on patterns of landownership within specific industries, on the relationship between land and capital ownership, on the appropriation of rent from surplus value, its impact on the production process and prices of production. Fine (1985) thus concentrates on describing the problems associated with property rights over coal production, and the attempts to overcome the difficulties arising from the payment of royalties to landowners. As

such, Fine's work on the coal industry cannot be seen as an 'economic analysis'. It does not, for example, conduct the rigorous examination of rent flows and the formation of prices of production that would allow an in-depth determination of the characteristics of rent in the industry.

A similar approach is taken by Ball (1981, 1985b) in his discussions on land rent and the construction industry. Ball considers the relationship between landed property and the housebuilding industry, with particular reference to the various forms the industry can take depending on the specific configuration of rent relations. He argues that the 'influence of landed property on the construction industry is far from simple. Rent mechanisms can be specified, but they do not neatly replicate Marx's categories for agricultural rent. The effects of rent, furthermore, depend on the structure of building provision of which a particular sector of the construction is a part and on the moment in history' (Ball 1985b: 85).

Both Fine (1985) and Ball (1985b) conclude that it is necessary to investigate *specific* historical situations in order to fully appreciate the role of land rent in the accumulation process in these industries. In general, it must be said that these studies do not attempt any detailed 'economic' analysis of rent relations, relying more on the description of *relations* between the relevant economic agents. Ball (1983) does, however, attempt to examine the

role of landownership in the profit-making strategies employed by housing developers in Britain in the 1970s. Again, though, the extent of the analysis is limited by lack of suitable financial data.

Perhaps the most detailed attempt to perform a rigorous *economic* analysis of rent relations was that by Topalov (1985) on the French housebuilding industry, although Dickens *et al* (1985) adopt a similar approach on housing development in Sweden. Topalov tried to disaggregate house prices into various components such as land price, construction costs, transaction costs, and so on. This analysis was essentially rooted in marxist rent categories, in order to determine the level of development gain, and the size of the elements appropriated by landowner and developer. In this way, Topalov analysed housing development in France from 1960 to 1980, trying to explain the reasons behind booms and slumps in house prices, and the changing structure of the development industry.

A major failing of all these works, except perhaps that of Topalov, is their inability to explicitly use rent theory other than as a general framework on which to hang an analysis of changing capital-land relations. This is not perhaps a failing of rent theory in its own terms, but is more indicative of the lack of suitable data required to conduct a more detailed economic analysis. A further problem, which we will return to below, is the economic reductionism made by this type of approach: there is often

neglect of the whole spectrum of social agents involved in the 'capital-land' relation, together with the details of historical contingency.

3.2 Rent theory and the production of the built environment

The second major use of rent theory has been to examine the shaping of urban areas through the extraction and circulation of rent by landed property. The pioneering English-language work in this direction was by Harvey in the early 1970s, in his studies of the development of the Baltimore housing system (Harvey 1974; Harvey and Chatterjee 1974). In the first of these papers, Harvey develops the concept of 'class-monopoly rent' to describe situations where the rate of return to a class of providers of an urban resource - housing - is set by the outcome of conflict with the consumers of that resource. According to Harvey, in the Baltimore case the housing market is structured by the lending policies of financial institutions, with the result that geographically distinct housing sub-markets arise.

Harvey and Chatterjee (1974) focus on the relationship between the macro and micro features of housing markets. In other words, they examine the form of 'general' housing policies, their 'local' transmission through the actions of financial institutions, individual consumer choices and constraints. In this paper, Harvey and Chatterjee make use of absolute rent, which, according to them 'implies class monopoly power' (Harvey and Chatterjee 1974: 32). The emphasis is on the role of landlords in investment and

disinvestment decisions in urban areas.

The stress in this work is on concepts of absolute and monopoly rent, with the role of monopoly power by landed property being brought to the fore. Harvey's derivation 'class-monopoly rent' was extensively criticised at the time by, for example, Bruegel (1975), Clarke and Ginsburg (1976) and Edel (1976). These critiques argued that in concentrating on monopoly control of land by landed property, Harvey had neglected the second condition for the formation of rent, the existence of a low organic composition of capital in sectors characterised by extensive rent payments. Harvey's early work, it was argued, made no attempt to show that this was the case in, say, the housebuilding industry.

Another early study of rent relations and the social and economic structuring of geographical space was by Markusen (1978). This paper described the changing class structure in three Colorado boom-towns, showing that an agricultural population with broadly pre-capitalist production relations had survived, and that the development of energy resources by capitalist producers was leading to increasing sectoral change and divisions between agricultural producers through the competition for land. In the coal mining areas of western US states, where coal is easy to exploit and the industry is characterised by a low organic composition of capital, DR is a prominent feature of the mining industry. According to Markusen, several groups vie for the surplus

profits produced in the industry: landed property, workers, mining companies. The existence of AR and MR depend, however, on the power of landed property. Since most of the land is owned by federal and state governments, which have not tried to appropriate large rents and leased land at low rates, most of the rent is DR. Politically, she concludes, this does not make any difference, though. Rent, 'represents a wedge that can be driven between groups that would otherwise seek common ends from energy development ... This is true whether or not the rent takes the form of differential, monopoly, or absolute rent' (Markusen 1978: 117).

Another example of the way rent theory has been used to examine urban spatial development is the concept of the 'rent gap'. Initial research in this direction was by Smith (1979a, 1979b), who coined the term to describe 'the disparity between the potential ground rent level and the actual ground rent capitalized under the present land use' (Smith 1979a: 545). As a given urban area expands, changes will occur to the potential rent levels on different pieces of land: gaps between potentially-achievable rents and actual rents on specific buildings, often with depreciating values. Under these circumstances 'rational' landlords will seek to 'disinvest', prior to demolition and redevelopment of the site.

This conceptualisation of rent gaps was initially criticised for being overly structuralist and was

subsequently refined by Smith (1986) to take into account the complexity of relations between the various actors involved in urban development. As Clark (1987: 81) has pointed out,

'The courses over time of potential land rent, capitalized land rent and building value for any given area are contingent upon a number of historical specifics, all of which can be related in some way or other to human agency'.

Clark (1987) attempts to 'test' the rent gap thesis, using Malmö as an empirical example. This represents one of the most comprehensive uses of rent theory to examine urban development, perhaps because the data on land values, rents and taxes is far more readily available in Sweden than in other countries. Nevertheless, Clark still found there were severe methodological and conceptual difficulties. In particular, he identifies several major problems with the use of land price as a measure of land rent:

(1) changes in price may reflect changes in the prevailing rate of interest rather than changes in rent levels, with falling interest rates leading to land prices (capitalised rents) rising as future rent incomes are sold more dearly.

(2) prices may simply reflect high discounted values of expected rent levels many years in the future, hence the difficulty of deciding on the extent to which current land prices reflect current land rents.

(3) very low frequencies of sale for any given plot of land make consistent and coherent time series of prices hard, or

impossible, to obtain.

(4) it is difficult to decide how to deal with cases where landowner and land user are identical; and even if it is assumed that a form of land rent is possible in these cases, what are the relevant economic inputs?

In his analysis Clark uses a sample of sites where properties have been demolished and rebuilt, and examines data on purchase prices, rents paid for use of building space, and tax assessment values. The latter were assumed to give a true picture of the relative balance of land and buildings in the total value. All this, Clark argues, gives a picture, albeit somewhat imperfect, of *actual* rent levels in the city, going back to the late nineteenth century. For *potential* rents Clark takes the sales price of undeveloped land before development, making the assumption that vendors will be selling for the maximum possible price. In order to provide a time series for potential land rents, he builds in a multiplier based on Malmö's annual rate of population change and annual rate of change in total property value.

Clark concludes that the empirical evidence supports the idea that rent gaps exist in Malmö, with the 'timing of building depreciation, rent gap expansion, steep rise in capitalized land rent, and finally redevelopment (depending) on a myriad of circumstances and decisions which defy being structured into a mechanistic model' (Clark 1987: 144).

However, despite these intentions we are left with the

feeling that much information on the social agents involved in disinvestment and reinvestment is missing: what is left is a somewhat economistic description of changes to rent levels and land values, but little sense of the social relations between landowners, users and the local state. Nor is there any attempt to draw any conclusions on the type of rents present, despite a lengthy introduction on rent theory. To be fair, this was not Clark's aim, and it must be said that the book provides possibly the most comprehensive empirical examination of urban development and land rent.

* * *

To conclude, the object of these studies is largely to illustrate the role of landed property and rent in shaping growth and change in urban areas. The emphasis tends to be on flows of rent between sectors and agents, and on the role of rent in 'diverting' capital to and from specific locations. Most of these studies tend to be hampered by a lack of 'hard' data on prices of production, rates of profit, rent levels, and so on, and therefore resort to description of general patterns of development and landownership structures.

3.3 Rent and its social relations

We have seen how the existence of rent can pose a barrier to the accumulation of capital. The third approach to rent and landownership stresses historical description of the changing capital-land relation, and the attempts by the former to overcome this barrier. While most of the studies described above more or less implicitly examine the

development of social relations of ownership - for example, Harvey on Baltimore or Ball on the housebuilding industry - few have placed this within a broad historical socio-political context. Murray (1977, 1978) is one of the few to have laid out such a framework. Harvey (1982) also discusses these questions. Essentially, we need to ask what are the possible responses of capital to accumulation barriers, and how the configuration of capital-land relations might evolve. If it can be shown that rent poses different forms of barrier in different sectors, the range of possible responses can be outlined in some detail.

While DR and AR are both the direct result of private landownership, there are differences in the way capital can overcome any barriers to accumulation posed by rent. DR can only be eliminated by overcoming the location-specific advantages within a given sector of production. AR, however, will 'disappear' when landed property is removed (in fact it will be transformed into other forms such as mortgage interest). Massey and Catalano (1978) believe that arguments which assert that DR is a necessary condition of the capitalist mode of production because it supposedly plays a vital part in equalising profits, can be challenged on two counts: firstly, equalisation can occur through other mechanisms (e.g. differential investment); and secondly, the profit-equalisation process is an effect of capitalist accumulation, and not a necessary function. The dynamic of capitalism is the accumulation of capital rather than the

achievement of equilibrium prices of production and profits.

Since rent is therefore technically unnecessary, it is argued that it represents a possible source of social conflict. Murray (1978) addresses this question, from the point of view of agricultural capital. How, he asks, does capital attempt to overcome the problems of monopolistic landownership and rent? Essentially, the problem is to eliminate the separation of landownership from capitalist production, so there are three possible lines of attack:

(1) capital can expand to areas which are undeveloped (from its point of view), 'new lands' on which property rights have yet to be established.

(2) institutional changes can be made by which landowners are turned into capitalists and tenants into owner occupiers (cf. Harvey 1982: 364).

(3) the productivity of the soil can be raised to eliminate the differences of location.

These are not, of course, new ideas, and the first two of these were clearly noted by Marx in the *Economic and Philosophical Manuscripts*. (Marx 1975: 320):

'The *division of landed property* negates the *large-scale monopoly* of landed property, abolishes it, but only by *generalizing* it. It does not abolish the basis of monopoly, which is private property. It attacks the existence, but not the essence of monopoly'.

Murray feels that landed property and rent are still significant in both developed and underdeveloped countries because land has not been technically subordinated, although

in the agricultural sector of the advanced capitalist countries rent has changed in form (to interest and profit) and declined in relative terms. It is to urban land and mineral extraction that the forms of capital/landed property contradiction have shifted. He examines in some detail the conflicts arising over the appropriation of ground rent in this sphere, believing that the total mass of urban rent is related to variations in the profitability of (undefined) 'urban' activities arising from differences in 'fertility' as measured by communications time:

'In the case of urban property, capital faces a problem similar to that in agriculture. In order to eliminate rent - in as much as urban rent is predominantly determined by communications time - capital would have to be able to reproduce 'construction' space at the average cost of all construction in the sector, and at the average time-distance from the relevant urban nodes (work, city centre, shopping areas and so on). It would have to avoid meeting increased demand by moving to sites of (in communications terms) lower fertility'. (Murray 1978: 5)

Murray is therefore dealing with the relationship between the owners of 'urban capital' and the owners of the sites on which production and reproduction takes place within the long-run dynamic of capital accumulation. He is not addressing the direct relationship between landed property and the sections of capital actually producing buildings-as-means of production/reproduction. To overcome the barrier of landed property capital responds in any or all of the three ways discussed above. This prevents the need to expand onto lower 'fertility' locations (i.e. with higher than average time-space costs). These potential responses are directly analogous to the agricultural case: increasing density per

unit area and decreasing communications time correspond to raising the productivity of the soil; and decentralising nodes corresponds to agricultural capital's expansion onto 'virgin' lands. For some reason, Murray does not consider the possibility of transforming tenants into owner-occupiers and/or landed property into capitalists in the urban case. In fact, at a broader level, Murray can be criticised for a lack of emphasis on the changing *nature* of landed property, and because two of the responses of capital in the agricultural case involve situations where landed property is reproduced in its original form (colonisation of virgin land) or is undermined through intensive investment. The latter is simply the result of the operation of the dynamic within industrial capital rather than the contradictions of landed property. It is this lack of emphasis on new forms of landed property that leads Murray to concentrate on the 'displacement' of the contradictions from the 'rural' to the 'urban' arena in the advanced capitalist countries.

Murray is essentially dealing with rent and accumulation at the level of surplus value distribution in the economy as a whole. But what about the role of rent and landownership relations in the *production* of the urban environment, specifically, the production of housing? We have already touched on the role of land in the housebuilding industry: it is clear that housing developers and landed property *potentially* face each other in an antagonistic relationship. Can we outline the possible dimensions of this

relationship? It has been suggested that a number of possible responses can exist (Workshop 3 1981):

(1) contradiction and conflict between private landowner and builder is sufficiently severe to force the state to intervene in either, or both, the ownership of housing land and the provision and ownership of housing.

(2) landownership and housebuilding roles become merged under the control of a set of capitals appertaining to both capitalist landowners and builders, so that for the most part land rent becomes a portion of total profit appropriated by such capitals.

(3) landownership passes into the hands of specialist property development companies which do not themselves engage in building. In these circumstances a substantial contracting industry can arise, as it also can when land is developed by the state or by capitalist industrial or commercial users.

(4) landed property extracts ground rent from a population too poor to constitute an effective demand for housing provided by the construction industry and to pay ground rent, with the effect of reducing the market for building capital and increasing the use of 'self-build' methods of provision.

(5) a pattern of development in fragmented small plots based on pre-existing land holdings can occur, either where land formerly owned by peasants is developed, or where large

estates are developed for large-scale housing projects (although the ownership of the completed dwellings may be fragmented).

Whether or not these possible relations exist at a given time and in a given place can only be determined empirically.

4 RENT THEORY IN CONTEXT

What conclusions can we draw from this discussion of landed property's relations with capital, and what elements of rent theory can we extract which are relevant for this thesis?

Firstly, we can broadly accept the major categories of rent - AR and DR - and the way they arise, especially the crucial differences between agriculture and manufacturing industry. However, we must be aware that problems exist in the application of rent theory to urban development. We need to be clear whether the analysis is dealing with the role of landed property and rent in the *production* of buildings, or whether it is dealing with the circulation of rent, appropriated from surplus value generated elsewhere in the economy.

Secondly, there are severe, if not intractable problems, in conducting a detailed 'economic' analysis of rent and its effects on production. This is the result of a lack of basic data and difficulties in finding adequate surrogate information. Numerous assumptions have to be made and much research takes the existence of rent categories as an act of

faith.

Thirdly, it is important not to reduce the capital-land relation to a mere economic relationship, since it is structured by the wider social and historical context. The role of AR in the housebuilding industry, for example, varies depending on the characteristics of landed property, the housing developers, state intervention, and so on.

Fourthly, given the fact of private landownership it is clear that all sectors of production *potentially* face barriers to accumulation, although the possible effects will vary depending on the circumstances. The major problem in manufacturing industry appears to be AR/^(and DR1) because *competition and investment leads to the equalisation of profits and* eliminates DR2. The obvious response of capital in this sector, therefore, is its transformation into owner-occupation as a mode of ownership, thereby changing the nature of rent into interest, and blurring the distinction between rent and profit. Agriculture is in some ways a special case, for the reasons outlined above. The existence of DR can prevent the generalisation of prices of production, maintaining differential profits, but this depends of the type of agriculture and the state of technical development. Faced by the barriers of DR and AR, agricultural capitals may respond by intensifying production, expanding onto land on which private property rights have yet to be established, or transforming itself into owner-occupiers. The rent question is more problematic when dealing with housing production.

The arguments about AR and housebuilding tend to exhibit a degree of circularity, such that AR is both a cause *and* an effect of the presumed low organic composition of capital in the industry. It is clear that the mechanisms through which rent is appropriated cannot be pre-determined, and the primary focus on the landowner tends to neglect the role of other social agents in the development process.

* * *

To conclude this chapter, it must be stressed that we need to be aware of the level at which the analysis is being undertaken: are we examining specific sectors or social conflicts? The next three chapters will discuss the role of landed property and rent in the changing patterns of accumulation in three major sectors - agriculture, housebuilding and manufacturing industry. We will examine the nature of these changes since the nineteenth century, both in the case study area and in the wider context. This analysis will draw on, and assess, rent theory as discussed in this chapter.

CHAPTER 3

RESTRUCTURING AND ACCUMULATION: AGRICULTURE

1 INTRODUCTION

The previous chapter discussed rent theory and its applications. We examined Marxian categories of rent, and the bases for rent formation under this schema. Some attempts to operationalise rent theory were also discussed, and it was argued that rent theory represents a way of understanding the capital-land relationship. We saw that two important bases for the existence of rent are (1) the presence of a low organic composition of capital (and fertility differences) in a given sector of production, and (2) the existence of landed property. Agriculture is one such sector. This chapter considers the changes to the agricultural economy of lowland Britain and our case study area, Glemsford. In two parts – the first covering the period of the 'Golden Age' and 'Great Depression' and the second the post-1945 years – we assess the nature of economic restructuring in agriculture. The emphasis is on the *changes* in its system of production and on its *relations of ownership*, especially the relationship between landed property and agricultural capital. We identify a number of issues to which rent theory will be applied in Chapter 6.

2 STRUCTURAL CHANGES IN AGRICULTURE, 1840-1940

2.1 Agriculture in its 'Golden Age' and 'Great Depression'

British society in the middle of the last century was 'a unique and amazing spectacle', as Hobsbawm and Rudé (1969: 23) have remarked. In the arable south and east it was made up of a largely proletarianised workforce, hiring itself out to farmers who were the tenants of a small landowning class. The farms of 1840 were also beginning to benefit from technological changes. Farming was being transformed by new developments in drainage, fertilisers, mechanisation; yields began to rise rapidly after 1837 (Hobsbawm 1969). The first half of the nineteenth century was therefore a period of generally increasing farm sizes; the introduction of new farming techniques, especially improved crop rotations (the planting of turnips and clover meant it was no longer necessary to leave fields fallow); and later in the century the drainage of the land. These all led to substantial increases in yields during the first half of the nineteenth century (Hobsbawm 1969)¹. Wheat, for example, rose from 24 bushels per acre in 1770 to 32 or even 40 by 1850 (Glyde 1856: 338). Holderness (1969) notes that there was also a major renewal of farm buildings and investment in capital equipment between 1820 and 1870. A common rule of thumb at

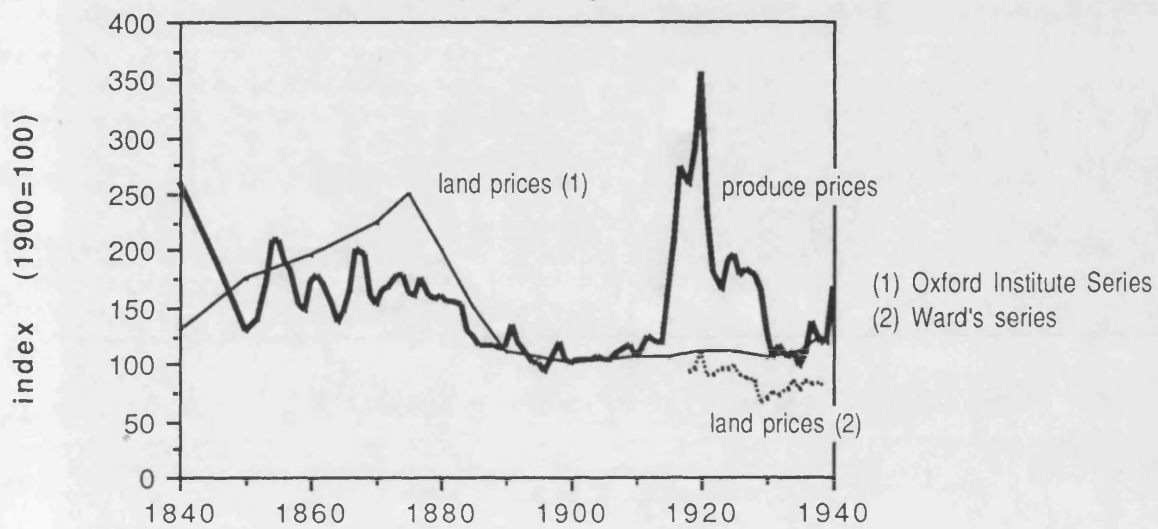
¹ It has been suggested that it was not so much a question of average yields being increased, but the frequency of achieving higher yields. In Suffolk in the mid-nineteenth century it was argued that much of the increase in productivity was due to barren land or sheep walks being brought into cultivation, and the yield of wheat was probably as high in the early 1900s as it was seventy years before (VCH 1908 Vol.2: 394).

the time was to consider five years' rent as equivalent to the amount of capital investment in new building for 150 to 400 acre farms. This would mean that a large Suffolk farm would have invested perhaps £2400 in new building. For investment in equipment, large 'enlightened' estates in eastern England were reputed to be spending the equivalent of 8 per cent of gross annual rents.

While the number of agricultural labourers grew by a third in the 1840s (over 500,000 workers), after the beginning of the 1850s labour was shed continuously until the present day. During the period of maximum output and price increases, from the 1850s to the 1870s, the agricultural industry lost 384,000 workers. This implies, since output was rising, that labour productivity grew noticeably. Output, indeed, rose considerably during the 'golden years', but declined from 1879 to the early 1900s, although it saw a further growth after the end of the First World War. Produce prices saw a slightly different trend, though, with falls until about 1850, a sharp increase followed by distinct fluctuations from the 1850s to 1870s, and then a period of decline from the late 1870s until the First World War. Land prices rose until the mid-1870s, then began a long period of decline until the First World War (Figure 3.1).

In the mid-nineteenth century Glemsford's agriculture was predominantly arable and the then well-tried four-course

Figure 3.1 Land and produce prices,
1840-1940 (constant prices)



rotation was widely practised in the area². The Estate Books from Kentwell Hall, the largest estate in the area, show the types of crop grown on its farms for a twenty year period up to the 1880s. Barley, wheat, beans, clover and turnips dominated the cropping system over these years. The Victoria County History tells us that mangold was introduced to Suffolk during this period, leading to improved meat production (VCH 1908 Vol.2: 394). It does not appear that livestock was a significant element in the local farming. Sugar beet makes a brief appearance at one farm (Broom Farm) in 1859, but according the Victoria County History a sugar beet factory at Lavenham survived only six years in the late 1860s and this branch of agriculture had not been reintroduced at the time of writing, in 1907 (VCH 1908 Vol.2: 402).

The wealth of Suffolk agriculture had in part been due to the large-scale enclosures³ (particularly following the dissolution of the Church's very extensive property), and in part to the fortunes of the local textile industry. According to commentators, 'agriculture in Suffolk was but the handmaiden of cloth-making' (VCH 1908 Vol.3: 670). Once this industry began to decline, agriculture began 'itself to

² Some of the rent agreements for the Kentwell Hall estate show that this was the case (Kentwell Hall Records: KHR). See also the Kentwell Hall Farm Cultivation Books (SRO: HA 505/2/57).

³ Arthur Young (1804: 38) wrote that 'Suffolk must be reckoned amongst the earliest inclosed of the English counties', although very large tracts were still in need of enclosure ('but the spirit is not active!').

take the foremost place' (ibid: 670). By the 1840s the picture is one of relative prosperity and stability, with rising rent levels. Agricultural production in and around Glemsford appears to have been broadly similar to the aggregate picture.

In general, while the increasing mechanisation of the farms raised the frequency of good harvests, it also led to severe unemployment amongst the agricultural labourers (although this would have depended on the availability of work locally). The *Victoria County History* (VCH 1908 Vol.2: 393) noted that the effect of new machinery was not so apparent in reducing the cost as in 'supplying the place' of hand labour, and in freeing labour for other jobs. In Glemsford, because the most rapid decrease in farm labour occurred during a time of rapid expansion of local manufacturing (see Chapter 5), heavy unemployment appears not to have been the case⁴. Between 1841 and 1851 the balance of employment in Glemsford tipped in favour of manufacturing industry and the agricultural workforce declined from about 40 to 24 per cent of the total, although there was actually a small increase in the absolute figures (see Chapter 5 for details).

Nevertheless, it appears that farms around Glemsford were less mechanised and were worked by considerably more labourers than the norm for the region. According to Glyde

⁴ Although this cannot be accurately verified as there was no census category for 'unemployed' at this time.

(1856: 336) most Suffolk farms of about 200 acres had about ten labourers, while in Glemsford at that time only Court, Broom, Hill and Lodge Farms achieved or bettered this level. Others appear to have been highly under-mechanised (e.g. Clockhouse Farm with 14 labourers for a mere 130 acres).

* * *

During the late nineteenth century, the British farming system entered a lengthy period of economic depression. The index of total agricultural output (Figure 3.1) shows the decline in production; prices fell and the contribution of agriculture to the GDP dropped considerably. Eventually agricultural capital managed to force through the necessary restructuring, abandoning cereal for livestock, especially dairying and the production of high quality meat (Hobsbawm 1969; see also the essays in Perry 1973). But apart from short-term recoveries, it was not until the Second World War that the farming industry entered a new expansionist phase⁵. We must remember, though that not all sections of farming suffered equally, and in areas where the emphasis had been on livestock and dairying in any case - the West Country, Wales, Scotland and northern England - the situation remained relatively unchanged, although there was a substantial migration southwards by farmers from these areas to take advantage of the low farm prices. 'Many a parish in central and southern England still has a Davies or a Jones, a Graham or a Stewart, whose forebears made such a journey'

⁵ Saul (1985) disputes the notion that Britain actually was in a depression at this time.

writes Body (1982: 104).

In Suffolk, because of its regional specialisation in arable (and especially grain) production, the depression was more acute. There was a general increase in the size of farms, as smallholdings with limited capital became uneconomic and were bought by their larger neighbours. 'It is the history of what many regard as the evil of small occupants being swallowed up in larger ones', it was noted at the time (VCH 1908 Vol.2: 390), with small 5 to 10 acre plots falling generally into the hands of the dealer, the butcher or the rat and mole catcher, 'anyone but the agricultural labourer' (ibid: 390).

2.2 Property relations in agriculture: landowners and farmers

As we have seen, the mid-nineteenth century was generally a period of economic growth, the 'Golden Age', for farming. In the lowland arable areas the 'tripartite' social structure of labourer-farmer-landowner was undergoing consolidation. How concentrated was landownership at this time? The New Domesday Book of 1873 was the first official survey of ownership since 1068 and aimed to show proponents of land reform that the monopolisation of land had declined. Not surprisingly, this proved not to be the case, even though the returns were found to be highly inaccurate and full of official obfuscation. For example, a landowner would be counted 'as many times in the same county as the officials knew him under different spellings of his own name' (Perkin 1973: 185). The Duke of Buccleugh, the then largest

individual landowner (as today) 'counted as 14, 28 dukes as 158, and 525 peers as more than 1,500 owners' (ibid: 185). Numerous recalculations in fact showed that an even greater monopoly of land existed. The best known of these, by John Bateman, argued that less than half of one per cent of all owners of a thousand acres or more owned almost sixty per cent of land (Bateman 1878) (see Table 3.1).

TABLE 3.1: LANDOWNERSHIP IN 1873. BATEMAN'S CALCULATION

per cent of total area

Category of owner	England (excl. London)	Suffolk
Peers	17.2	14.4
Over 3000 acres/£3000 rent(1)	24.3	25.3
1-2999 acres/under £3000	49.6	54.1
Small properties	0.5	0.4
Other (2)	8.1	5.9

Notes:

(1) annual rental

(2) 'Government, barracks etc.', 'Educational, religious, and philanthropic'; 'Commercial, provident, miscellaneous'; waste

Source: Bateman (1878)

Bateman's estimates were largely based on acreage, rather than capital values, and he excluded London. Offer (1981) has attempted to rectify this, emphasising the fact that flows of rent are an equally important measure. Offer analysed capital values based on death-duty assessments for the whole of the UK, including London. Although the period he examined was slightly later than Bateman (1896 to 1914), the following figures show the other side of the coin to crude measurements of acreage. This survey also indicates

the highly unequal distribution of 'real' property ownership, but modifies the distribution amongst proprietors, so that the wealthy landowners (owning or bequeathing more than £50,000) who formed 0.86 per cent of all owners are now seen to hold almost a third of all 'realty' (see Table 3.2). We can see, therefore, that owners bequeathing over £50,000 owned almost half the agricultural land, 18 per cent of housing property and buildings, and almost two-thirds of all ground rents. Only 16 per cent of realty was owned by proprietors with net wealth valued at under £1000 (although at a time when an agricultural labourer earned less than £50 a year this group was still relatively well-off). According to Offer (1981: Fig.7.2) ground rents and other charges were relatively unimportant within the total spectrum of tenures (8.4 per cent) and farmland only formed a quarter of all realty.

Whatever measure we take - the actual spatial extent of ownership or capital values - 'real' property rights in Britain at the turn of the century were therefore grossly unevenly spread amongst the population.

In Suffolk Bateman (1878) calculated that about two-thirds of the land was held by owners with under 1000 acres in the 1870s. Young's characterisation of the county as one of a large number of relatively wealthy owner-occupier farmers may therefore have remained accurate years fifty after he was writing. He argued that the most interesting feature of Suffolk was:

'the rich yeomanry as they were once called being numerous, farmers occupying their own lands of a value rising from £600 to £400 (sic) a year: a most valuable set of men who having the means and the most powerful inducements to good husbandry carry agriculture to a high degree of perfection' (Young 1804: 8).

TABLE 3.2: DISTRIBUTION OF PROPERTY BY WEALTH AND TYPE, ACCORDING TO OFFER

per cent of realty in each property type

proprietor's net wealth	type of property:			all realty
	agric. land	housing/ business	ground rents	
under £1000	8.2	20.6	4.2	16.0
£1000-£10000	19.4	39.2	12.9	31.6
£10000-£25000	11.6	13.5	10.8	12.7
£25000-£50000	11.3	8.7	10.9	9.6
over £50000	49.5	18.0	61.2	30.0
Total	100.0	100.0	100.0	100.0

Source: adapted from Offer (1981: table 7.6)

Nevertheless, there was certainly a distinct group of large scale landowners: some 61 landowners held about 37 per cent of the total area of Suffolk, with an average holding of over 5600 acres. These fortunate landlords received some £412,000 in rents per annum (Bateman 1878). Bateman calculated that approximately a quarter of Suffolk was held by owners with over 3000 acres and/or an annual rental income of £3000, about one per cent more than the average for England as a whole (see Table 3.5).

In Glemsford there were about twenty-five farmers and many smallholders, owning around 2200 acres in the parish and a further 1100 acres outside its boundaries (Table 3.4). As

far as landownership is concerned, about 44 per cent of the Glensford total (in terms of area) and about a third of the total holdings was owner-occupied. Eight of the farmers were either wholly or predominantly owner-occupiers. Ten of the landowners were themselves farmers. Land for these farmers was therefore owned as a condition of production. The remainder was 'pure' landed property, with no land farmed 'in hand' (in the parish at least)⁶. In 1840 there were 57 owners of tithed land (comprising 97 per cent of all land in the parish), with an average holding of nearly 39 acres. However, this hides the true nature of ownership which was in fact highly concentrated - 80 per cent of the land was held by only eight owners (Figure 3.2).

During the 1840s and 1850s there were major changes in landownership in the parish. Each line on Figure 3.3 represents land owned by a single owner, with the thickness proportionate to the size of the holding. When holdings are bought or sold or amalgamated the lines merge, dividing when holdings are split up. The figure runs chronologically from 1840 to 1980. From this we can see how some holdings were amalgamated and others were divided in the 1850s. The result of this intense period of buying and selling was the construction of three large estates - Henry Bence's Kentwell

⁶ There were a number of owners whose holdings extended outside the parish, e.g. John Ruggles Brice with under two acres in Glensford, but almost 480 acres in the neighbouring parish of Cavendish. This made him one of the largest landowners in the area. Henry Bence, the owner of Kentwell Hall, is another example.

Figure 3.2 Concentration of farmland ownership

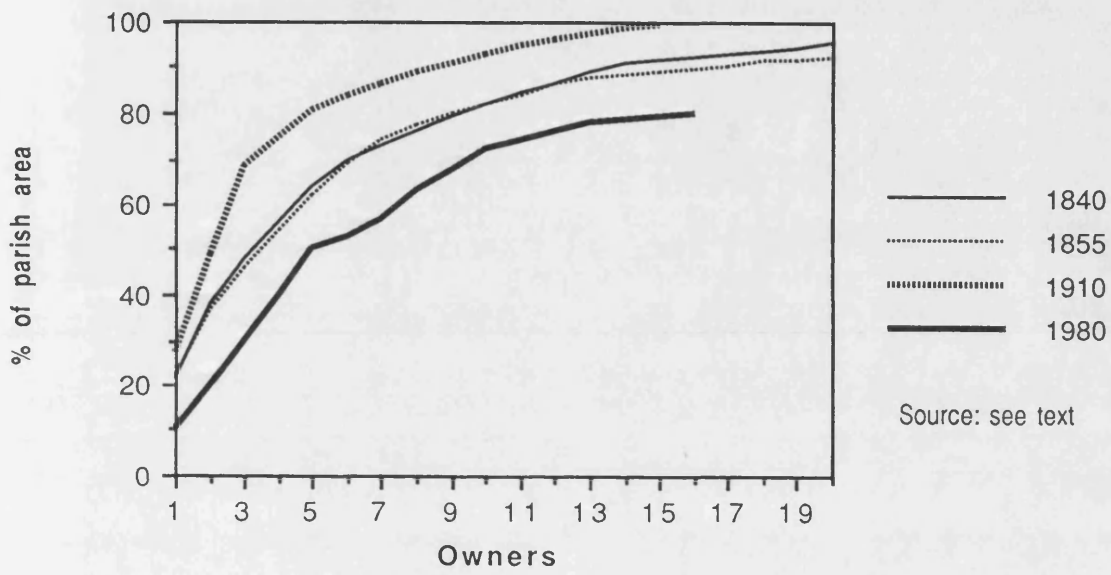


Fig. 3.3 : CHANGES IN LAND OWNERSHIP, 1840-1983

Each line represents a block of land owned by a single individual or company, with the width indicating the size of the holding

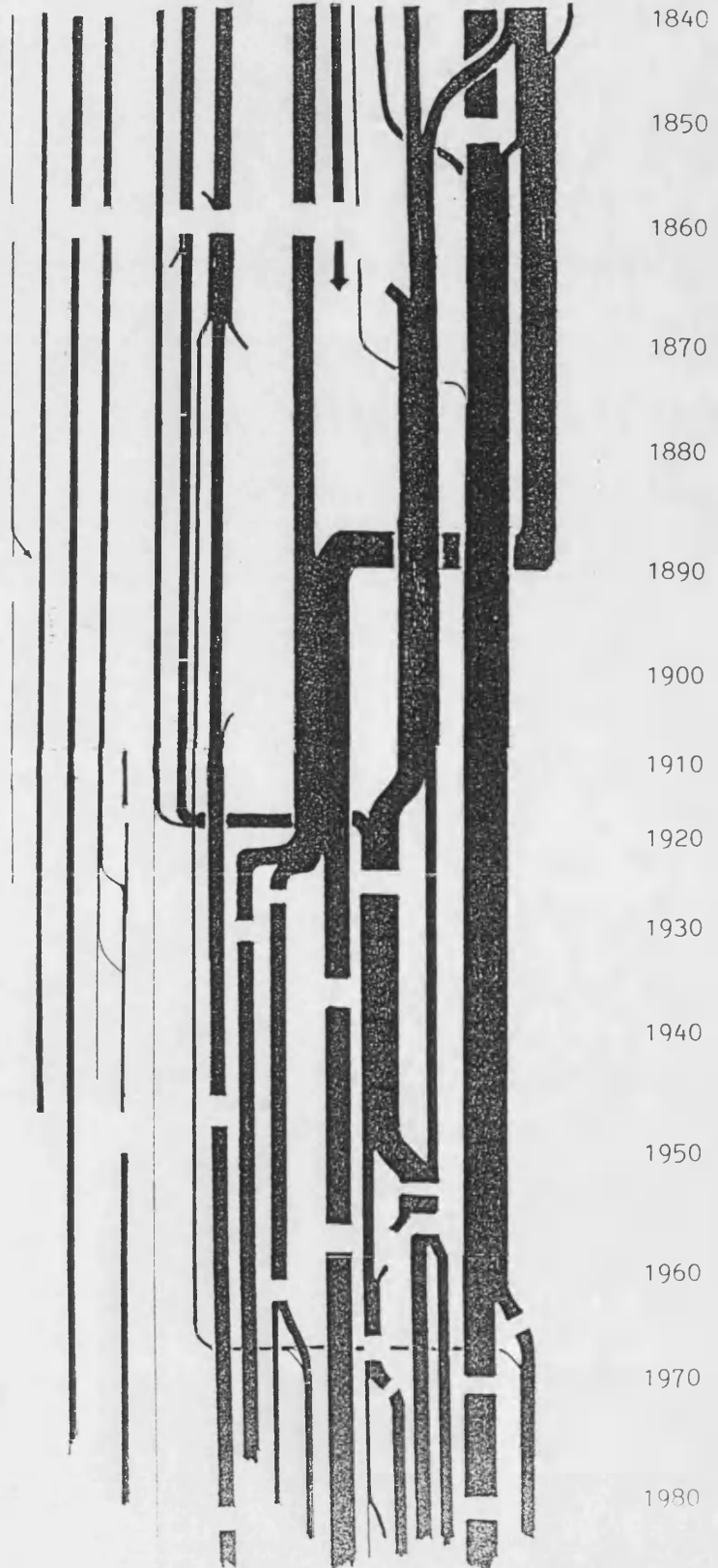


TABLE 3.3: SUFFOLK LANDED PROPERTY IN 1873

Owner	acres	rental value(1) (£ per annum)
Lord Rendlesham	19,869	19,275
Col. George Tomline	18,475	24,005
H.H. The Maharajah Duleep-Singh	17,210	4,755
Marquiss of Bristol	16,953	19,929
Lord Huntingfield	16,869	22,177
Duke of Grafton	13,642	8,672
Sir George Broke-Middleton	13,399	17,493
Earl of Stradbroke	12,200	17,605
Sir Richard Wallace	11,224	11,253
Lord Waveney	10,930	14,168
Lord Henniker	10,910	15,168

Notes:

(1) Eleven owners had estates with a rental value of over £10,000

Source: Bateman (1878)

Hall, and those of Henry Eaton and J.E. Hale. Eaton's landholdings were formed from the break up of the Duff estate in 1850/1851⁷. Hale was a large farmer-landowner with other holdings in Suffolk⁸ - for a time he owned and occupied two farms, but by the turn of the century they were

⁷ Alexander Samuel Duff had been the owner of the local silk mill and had built a small estate using profits from the firm. His property was sold to Henry Eaton in 1848 for £12,093 ('Abstract of Title', SRO: 821/1). Duff died in 1852, leaving £35,000 (PRO: Death Duty Records: IR/26/1928).

⁸ *Returns of Owners of Land* (1873) (the 'New Domesday Book'). He was also a Lord Lieutenant for the City of London (*Kelly's Handbook to the Upper Ten Thousand*, 1878).

both rented to a major local farmer, William Goodchild⁹.

There was a similar process of concentration also taking place amongst the *occupiers* of land in Glemsford (Figures 3.4 and 3.5). Figure 3.5 can be read in the same way as Figure 3.3, except that each line indicates a block of land occupied and used by one individual or family. This amalgamation of units was particularly strong in the middle years of the nineteenth century, although this is not really surprising since almost half the land was owner-occupied and obviously what occurred in terms of ownership was synonymous with what was happening to land occupancy.

TABLE 3.4: TOTAL HOLDINGS OF GLEMSFORD FARMERS, 1840

acres

	own-occ	%	rented	%	total
in Glemsford	993	44.2	1253	55.8	2246
outside Glemsford	28	2.5	1074	97.5	1102
Total	1021	30.5	2327	69.5	3348

Source: tithe records (1840) for Glemsford and surrounding parishes. Excludes smallholders with under ten acres.

The mid-nineteenth century, then, was a time when the shape of agricultural property relations in Glemsford was established. The scale - the balance between owner-

⁹ William Goodchild was eventually to monopolise the farming of the parish, owning about a quarter of the land and occupying about half. He probably bought Eaton's farmland in 1878 (see Abstract of Title, SRO: 821/1), although he occupied (and rented) a farm in the parish as early as 1870 (Register of Electors, 1870. SRO: Q/RP) and he was listed as a Conservative voter in the 1868 Suffolk Poll Book.

Figure 3.4 Concentration of farmland occupation

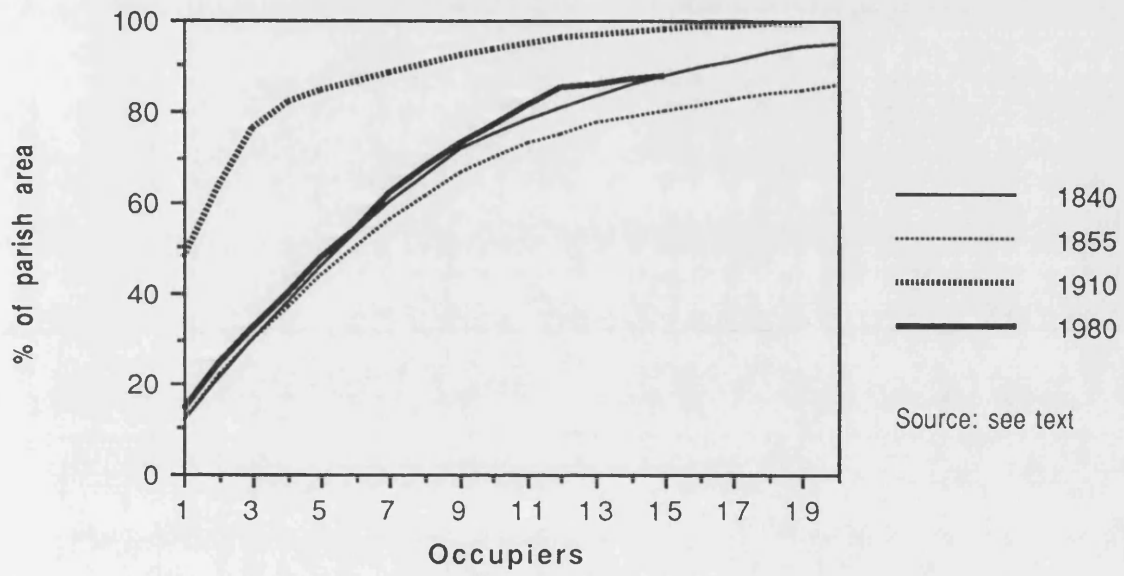
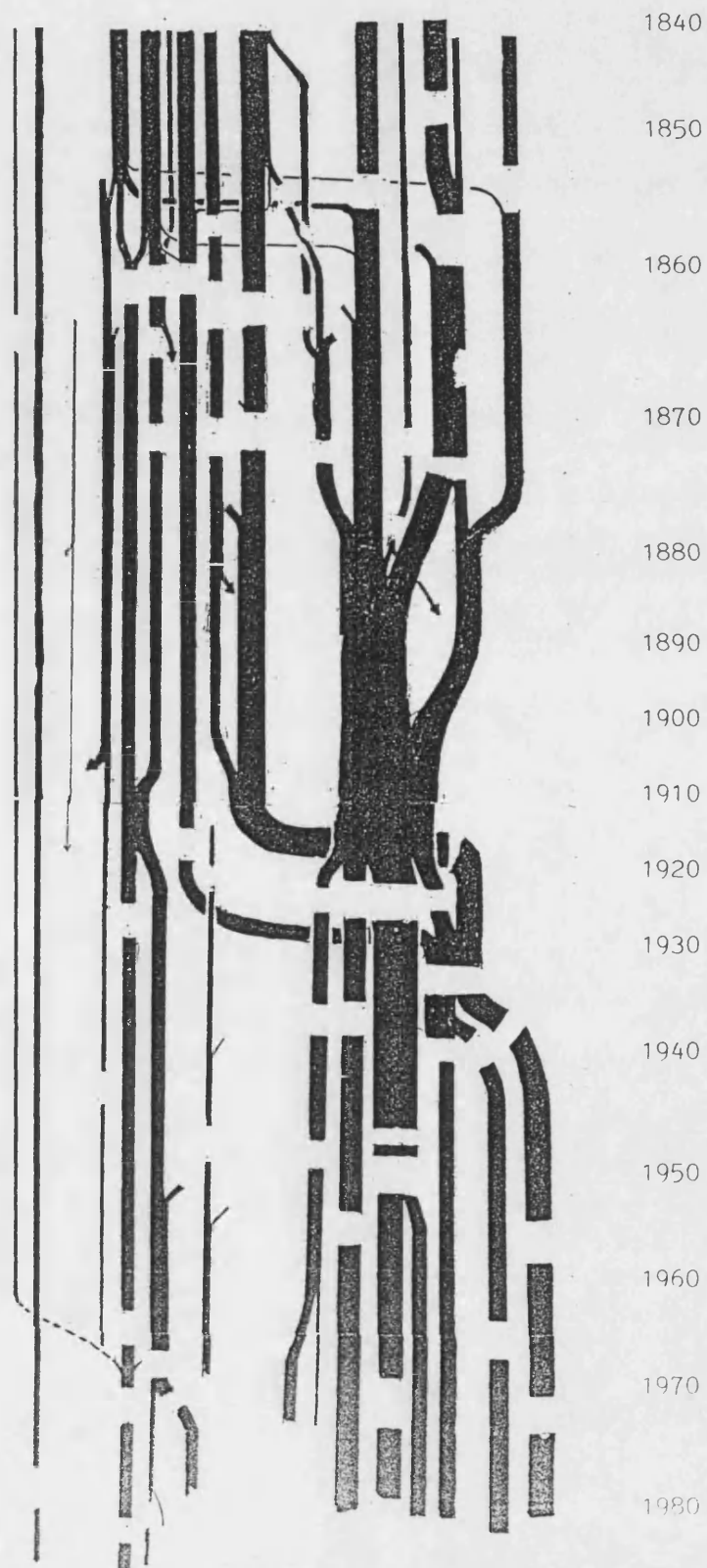


Fig. 3-5 : CHANGES IN LAND OCCUPANCY, 1840-1983

Each line represents a block of land occupied by a single individual or company, with the width indicating the size of holding



occupation and renting - was to remain essentially unchanged until the end of the century, although a distinct concentration of both ownership and occupancy took place during the late nineteenth century. Generally speaking the parish was owned by:

(1) landed property, both owners of estates and the smaller owners, who held land for rent returns. This group comprised about 42 per cent of owners

(2) owner-farmers, for whom land was simply a condition of production. These formed about 43 per cent of the landowners

(3) smallholders, who owned a few acres to supplement their main activities.

There was thus a balance between owner-farmers and landlords, with a relatively large number of smallholders. This balance was to remain until the early twentieth century. However, landlords actually owned the majority of farmland in the parish and five of the nine largest farms in the 1850s were rented by their occupants¹⁰.

* * *

How did agricultural property relations evolve during the agricultural depression? Broadly, as Newby *et al* (1978) summarise it, the depression had a paradoxical effect on the extent of owner-occupation. During the 1880s owner-occupation actually became more widespread. This was because

¹⁰ Tithe Register.

many landowners were forced to take more land 'in hand', farming it themselves, when tenants were no longer able to cope with falling agricultural prices. Because rents were dropping, though, landowners were often inclined to sell off land to sitting tenants to overcome their own cash flow problems. By the 1890s, as the depression eased, owner-occupation declined as renting became more attractive, although renting tended to increase on larger farms while smaller holdings continued to be sold: in 1888 14.5 per cent of holdings were owner-occupied, and 15.4 per cent of the area of crops and grass. By 1908 the proportion of holdings owner-occupied had dropped to 12.8 per cent but the area owner-occupied had declined much further - to 12.3 per cent. Suffolk did not escape these trends. There was a substantial depreciation of land values. The *Victoria County History* noted that 'Taking the county as a whole, the loss sustained by the principal landowners since 1873 is very heavy, although really good sporting estates are not so much depreciated' (VCH 1908 Vol.2: 388). A Suffolk auctioneer of 'old practice' is quoted to show that 'estate prices have fallen massively'. For example, an estate bought in 1874 for £4000 was sold in 1897 for under £900; or a 'choice property' of 292 acres fell in value from £45 to £16 per acre between 1870 and 1897 (ibid: 388). The balance of power between landlord and tenant was also substantially altered at this time, as farmers were making yearly agreements 'with fair terms', rather than 7, 14 or 21 year leases:

'The dark days in farming have warned the tenants not to bind himself far ahead. "Security of tenure" brings

him no comfort when he thinks of the rapid downfall of the past; and possibilities of a future even worse. He has no idea of being bound hand and foot to a position which threatens ruin, without any prospective remedy for low prices, high rates and yearly increases'. (ibid).

How did agriculture in Glemsford fare during the depression? The Kentwell Hall estate is the best documented piece of landed property in the area¹¹, so it is fruitful to examine its development over the years between 1850 and the First World War in some detail. Since the Kentwell Hall farms were of similar size to other large Glemsford holdings and there is no reason to assume that they had a different pattern of cropping, by examining the economics of the Kentwell Hall estate we can gain a picture of the effects of the depression on Glemsford agriculture.

In common with the trend in Suffolk as a whole, landed property in Glemsford was suffering declining rent rolls. The return on capital invested in the estate was never particularly high (Table 3.5) when compared to the prevailing rate of interest. Owning farmland was obviously not a passport to ever-increasing rental income, although we cannot take into account the effect of gearing, the rate of return on borrowed money, which may have resulted in much higher rates of return. In constant (1900) prices rents

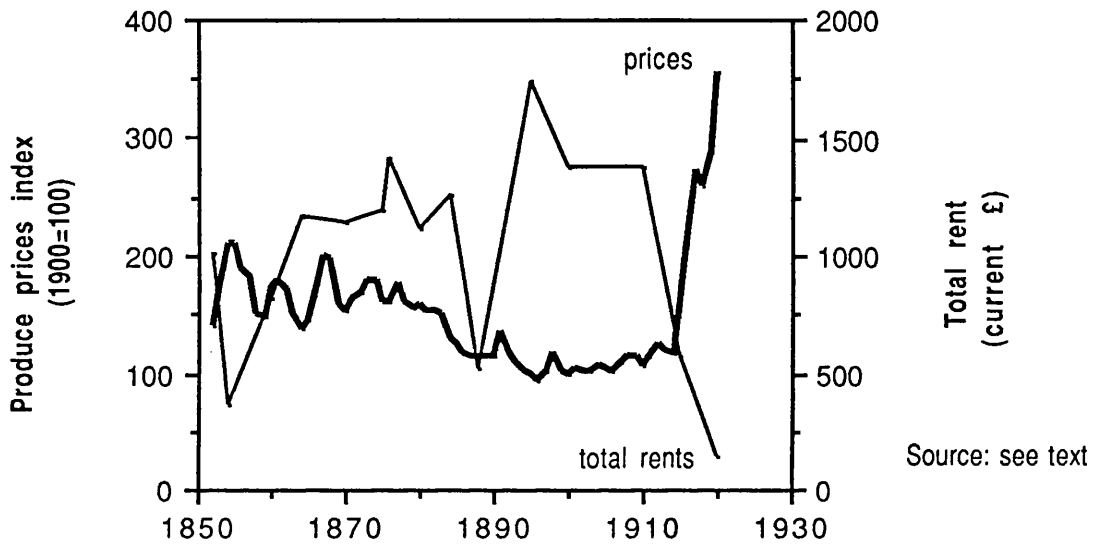
¹¹ The Starkie-Bence wealth originated partly from Lancashire merchant capital. Henry Bence paid around £85,000 for the 1960 acre estate in 1838 and expanded the estate to 2845 acres, spending a further £30,000 on land. It was not a large property in Suffolk terms - at least forty estates were larger according to Bateman.

stayed remarkably unchanged between 1850 and 1937, generally hovering around the £1000 to £1500 per year level. There was, however, considerable fluctuation in this, and the effects of the depression can be seen to bite after the late 1870s (Figure 3.6). The rent received by the estate plummeted to an all-time low in 1888, unmatched for 32 years. The slight national recovery during the late 1890s appears to have worked its way through to the estate by the early 1900s, although it appears to have been untouched by the boom years for agricultural prices during the 1914-1918 war until the following decade.

Still, for the tenant farmer the depression must have had at least some effect, for the rent of the three Glemsford properties had been considerably reduced by 1895, and throughout the years between 1900 and 1931 they were below than their 1876 peak. The rent payable on Court Farm dropped by about 19 per cent in real terms in 1901 and by 1920 the rents from the other three farms were about a quarter of their peak value¹². Although rents were reduced for all the farms there was always a discrepancy between the agreed rent and the actual rent paid. For example, the agreed rent for Court Farm when it was taken by William Byford in 1862 was £299, yet he only paid this level in five out of about

¹² By 1920 Court Farm rents had dropped to a quarter of this value. Between 1920 and 1924, when it was sold, it appears that one of the farm's tenants was in difficulties. Frequent payments for 'arrears of rent' are indicated in the Ledger (KHR: HA 505/2/5).

Figure 3.6 Kentwell Hall rents and agricultural prices



Source: see text

thirty years and the actual rent was generally around £277-280. This was probably because of fluctuations in agricultural prices and yields - we know there was a clause in the rental agreement for one of Bence's farms (Rough Edge or Rowhedge), similar in size and rent to Court, that the rent be increased if the average price of wheat and barley exceeded a fixed amount¹³, and there is no reason to suppose that there was not room for haggling over the level of rent in a given year. Since the farmers were not faced by a continual upward pressure of rents (which appear to have been reviewed only every decade or when a new tenant arrived), and although periodically in the ledger we see an entry for 'arrears of rent' from a farmer, there were never any evictions from the estate. It seems likely that Bence was relatively lenient as a landlord, although his leniency may to some extent have been the result of the depression.

But despite the rise and fall of rents it appears that Edward Starkie Bence was not unduly affected by the depression - he was not forced to sell land to overcome any cash shortages that may have arisen through falling rent rolls (the estate remained intact until Park Farm was sold in 1963)¹⁴, nor were there any major changes in the pattern of cultivation on the farms away from wheat which was facing competition from foreign imports (see below).

¹³ KHR: HA 505/7/93.

¹⁴ Interview with present occupant.

As for the other farms in the parish, there was little change in the pattern of ownership or occupancy. The largest transfers of land took place in 1887 when Henry Eaton's estate was sold to William Goodchild, who also bought Lodge farm around this time¹⁵. Whatever the reasons for Eaton's sale, the effect on the overall concentration of ownership was considerable, as can be seen from Figures 3.2 and 3.3. The level of owner-occupation declined to about 39 per cent by 1910 and this probably indicates that the smaller holdings were bought by owner-occupiers and some amalgamation of holdings occurred. This would account for the greater levels of concentration. The larger units, however, remained as rented property, in keeping with the general trend. Indeed, the only large farms to pass into owner-occupation at this time were Hill and Churchgate (from Eaton to Goodchild), hence the *overall* proportion of owner-occupation declined.

The effect of the post-1918 depression on Glemsford's farming system is unclear. It is probably fair to conclude that different farms weathered the depression according to their particular crop mix, management ability and so on. Certainly, the Kentwell Hall rents held up well, and even increased during the 1930s, despite a possible decrease in the price of local farmland in real terms (Figure 3.6/Tables 3.5 and 3.6). However, some land had clearly fallen into disuse. Grove Farm, for example, was formed when the

¹⁵ 'Abstract of Title' (SRO: 821/1).

Agricultural Executive Committee took over 29 acres of derelict land in 1912¹⁶.

Despite the temporary respite in the agricultural depression provided by the 1914-18 war, land prices generally continued to fall during the 1920s. Landed property took the hint and completed its 'abdication' from the land: a sales boom after 1918 meant that by 1927 a quarter of England and Wales had passed from tenanted to owner-occupied farmland since the start of the war (Thompson 1963). The continued depression allowed new entrants to the industry to build up large holdings (Newby et al 1978), although by no means all sectors of the industry were equally affected: livestock, for example, actually expanded in output (Body 1982). In common with the rest of England, the inter-war years saw a massive growth in farmland owner-occupation in Glemsford, and some astute buyers snapped-up land at knock-down prices. By 1935 perhaps two-thirds of the land was owner-occupied. One of the new owners ran a 'gentleman's outfitting' shop in Piccadilly and in 1932 bought a farm which was weathering the depression well - its value had actually doubled in real terms since 1910. When he sold it 23 years later it was valued at a third of its purchase price, and since it was described as 'rundown' we can assume that he had not taken to farming!¹⁷.

16 Interview with present owner.

17 Interview with present owner.

TABLE 3.5: YIELD ON CAPITAL INVESTED, KENTWELL HALL ESTATE

	Total rent £	% Yield (1) (year purchase)	Yield on Consols
1852	1409	2.1	3.0
1854	760	1.2	3.3
1860	1413	2.1	3.2
1864	1606	2.4	3.3
1870	1750	2.7	3.2
1875	1943	2.9	3.2
1876	2255	3.4	3.2
1880	1767	2.7	3.1
1884	1631	2.5	3.0
1888	601	0.9	3.0
1895	1743	2.6	2.6
1900	1372	2.1	2.8
1910	1463	2.2	3.1
1915	945	1.4	3.8
1920	523	0.8	5.3

(1) Estimated yield on deflated total purchase price for estate, rents in 1900 prices.

Source: Kentwell Hall records in SRO; yield on consols from Mitchell and Deane (1962)

TABLE 3.6: THE CHANGING PURCHASE PRICE OF TWO FARMS

Date of sale	Farm 1		Farm 2	
	Total £	£ per acre	Total £	£ per acre
1910	5086	17.3	6515	26.7
1911	3070	10.4	-	-
1925	2308	7.1	-	-
1932	-	-	12286	52.6
1948	5172	17.6	-	-
1949	4110	22.6	-	-
1955	-	-	4000	16.4

Source: IRLV for 1910 figures; interviews with present owners for other years.

3 AGRICULTURAL RESTRUCTURING AFTER 1945

3.1 Labour shedding, intensification and the 'farm sandwich'

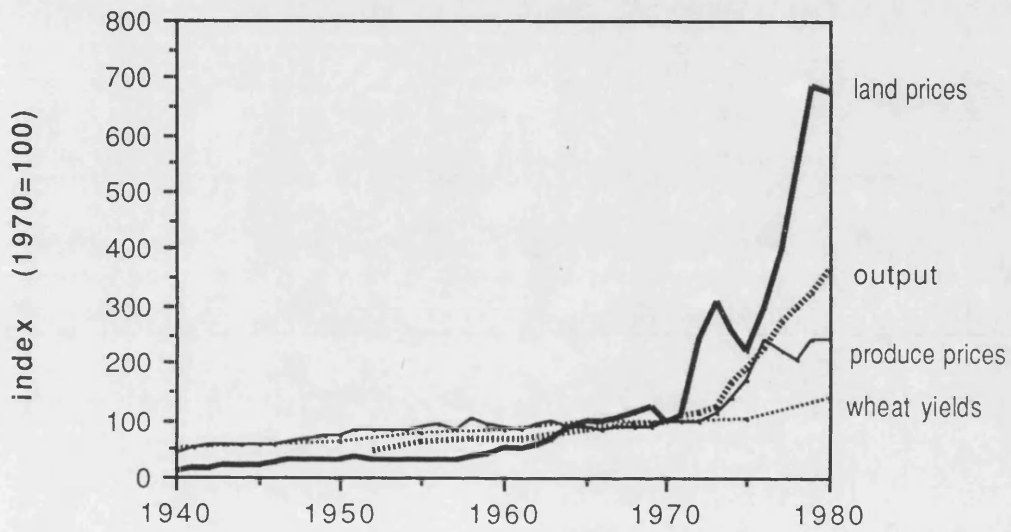
In the years following the Second World War, the economic parameters under which the farming industry has operated have altered substantially. Output has constantly expanded¹⁸, and as the shedding of its workforce has continued, labour productivity has grown rapidly. By the end of the 1970s gross output in constant prices had grown approximately 2.5 times since 1945. Net real farm incomes remained at about 2.5-3.5 the pre-1939 level throughout the 1940s-60s, before rising substantially in the early 1970s (see Bowers and Cheshire 1983). Agricultural produce prices have risen persistently throughout the 1940s and 1950s, and again in the 1970s. Finally, land prices have risen perhaps tenfold in real terms since 1945¹⁹. The MAFF land price index increased from 100 (1973) to 248 (1983), although price inflation had ceased by the mid-1980s. Figure 3.7 shows these trends.

One of the most striking features of the farming industry has been the rate at which it has shed labour. Table 3.7 shows this decline. In the last twenty years alone the total workforce engaged in agriculture has dropped from over a

¹⁸ Although the output of the agriculture, forestry and fishing sector grew at slightly less than the GDP during the period 1956-57 to 1977-78 (2.3 per cent and 2.4 per cent respectively). Figures from Aaronvitch and Smith (1981: 229).

¹⁹ For details of various historical series on agricultural land prices see Lund and Slater (1979).

Figure 3.7 Selected agricultural indicators, 1940-1980



million in 1960 to 624,000 in 1983. The character of this labour force has also changed substantially, with the proportion of regular full-time workers falling from almost half the total to some 27 per cent in 1983. Increasingly the farm labour force consists of (1) regular part-time or seasonal/casual workers (up from 18.2 per cent to 25.5 per cent between 1960 and 1983) and (2) farmers, partners and directors (from 33.2 to 46.5 per cent). A growing number of holdings (over 70 per cent) employ no full-time workers at all²⁰. And as the level of direct full-time farm labour has collapsed, wages have remained depressed and farm labouring among the lowest-paid occupation in Britain. Indeed, low wages have aided the employment trends in farming. Bowers and Cheshire (1983: 63) make the point that the 'massive restructuring of employment, particularly given the inertia of traditional agricultural communities, could only be accomplished in a market system with substantial earnings differentials between sectors'.

The farm has become a highly capital- and energy-intensive workplace. Parallel to the declining workforce, the level of non-labour inputs has grown considerably. By the early 1980s over £10bn per annum were being spent by the farmers on these items, as much as 60 per cent of the gross agricultural product. Consistently over half the total expenditure is on just three items: machinery; fertilisers;

²⁰ Figures from MAFF *Annual Review of Agriculture* (various dates).

TABLE 3.7: CHANGE IN THE AGRICULTURAL LABOUR FORCE

 1. GREAT BRITAIN

	% of total occupied pop.(1)	absolute change on previous date	% change
1811	35		
1821	33		
1831	28		
1841	21.9		
1851	21.5	+502 (2)	+33.1
1861	18.5	-75	-3.7
1871	15.1	-173	-8.9
1881	12.8	-136	-7.7
1891	10.4	-95	-5.8
1901	8.6	-83	-5.5
1911	8.2	+97	+6.9
1921	7.5	-62	-4.1
1931	6.4	-95	-6.6

 2. UNITED KINGDOM

1948 (3)	4.1		
1951	3.7	-134 (4)	-9.9
1956	3.0	-111	-14.4
1961	2.6	-77	-11.6
1966	2.0	-107	-18.3
1971	2.0	-45	-9.4
1976	1.8	-37	-8.6
1981	1.7	-35	-8.9

Notes:

- (1) % of total employees in employment from 1948
 (2) From 1841
 (3) Figures from 1948 include forestry and fishing
 (4) From 1931

Sources: *British Labour Statistics. Historical Abstract, 1886-1968.* Dept. of Employment (1971); *Occupation Abstract, Census of Great Britain, 1841; Regional Trends* (various dates)

and feeds, seeds and livestock, the latter comprising about a third of total spending. Nearly three times as much is now spent on these inputs as on labour, whether hired or family labour. Spending in constant prices on fertilisers has

increased well over twofold, and feeds by 50 per cent, during the last thirty years²¹.

Another side to this restructuring of the farm production process has been the shift in the relations of *control*. Industrial capital has taken over certain farming activities and has, in effect, invested in farm practices which were once functions of farming itself but can now be produced 'in the safety of a controlled environment (Clutterbuck and Lang 1982: 63). The farming industry is therefore locked into a 'farm sandwich' or 'agro-industrial' complex, supported by the state, and tied to the input industries, food processors, and retailers (Clutterbuck and Lang 1982; Bowers and Cheshire 1983; Lang and Wiggins 1985; Wallace 1985; Barlow 1988).

In many ways farming in Glensford in the 1980s differs little from the East Anglian 'average'²². Although its share fell during the 1970s, agriculture (and forestry and fishing) forms about seven per cent of East Anglia's regional GDP. However, the region has grown in importance as a contributor to total national agricultural GDP, to about ten per cent today. This rise reflects the general trend towards arable production in the 1970s. Today the region is

²¹ See Burrell *et al* (1984); MAFF *Annual Review of Agriculture* (various dates); Barlow (1988).

²² For sources of information on East Anglia see MAFF *Farm Classification Tables; Regional Trends* (various dates). Newby *et al* (1978) provides a useful summary of the situation in the 1960s and 1970s.

arable-dominated with almost 90 per cent of the total acreage of crops and grass being used for cropping. Farms in the region are larger than the national average both in acreage and size-of-business terms, and the full-time farms of Suffolk are the largest in the region (with an average of 250 acres in the mid-1970s). The larger farms and the tendency towards cropping has also resulted in a greater reliance on hired labour, although by the late 1970s only about a sixteenth of the region's workforce was engaged in agriculture (slightly fewer than in Suffolk). In Glemsford and its surrounding parishes farming is overwhelmingly based on cropping, and over half the total acreage is given-over to grains, almost entirely wheat and barley (Table 3.8). In keeping with the regional 'average farm', though, pigs and poultry also make an appearance, with one operation having sold its land to concentrate solely on pig-breeding.

TABLE 3.8: TYPE OF OUTPUT BY ACREAGE, 1982/1983

crop	acres	per cent
wheat	1377	28.9
barley	986	20.7
oilseed rape	121	2.5
beet, beans, potatoes, oats	-	-

Excludes two farms for which breakdown unavailable (total acreage 4766).

Source: farm survey

In the early 1980s there were 16 full-time farming businesses with some land in Glemsford²³. Only seven of these farms are actually based *within* the Glemsford parish boundaries. These 16 farms together work some 6600 acres of land, less than a third of which is in the parish itself (Table 3.9). The scale of the operations is therefore substantial, particularly when we note that over 3000 acres of this total is owned by these farmers, and in this area land with vacant possession was selling for at least £2000 per acre at the time of the survey²⁴. Appendix 3 discusses the financial characteristics of Glemsford's farm businesses at an aggregate level and the extent to which they are representative of the 'regional farm'.

We have seen that farmers in Britain now spend three times as much on fertilisers, seeds, agro-chemicals and machinery as they do on labour, and all the farms in the survey reflected this trend. Most farmers agreed that the two major areas of change were the increasing use of agro-chemicals - one saw this as the principal innovation of the last ten years - and the intensive use of machinery (see below).

With very different levels of capitalisation between the farms there was, of course, considerable variation in the

²³ One of the characteristics of contemporary arable farming in Britain is the way land holdings are becoming scattered as farmers who are demanding increasing amounts of land are unable to expand onto adjacent farms.

²⁴ Interview with local land agent; survey of farmers.

number of acres per worker. Excluding the two smallest farms (27 and 81 acres), this ranged from about 110 to 325 acres per full-time worker, although this is not a particularly accurate reflection of 'mechanisation' since the paternalism of some farmers, as well as other factors, affected the number of workers: the largest farm held on to old farm hands rather than making them redundant; another farmer employed more labour than necessary for the size of farm because he used his employees for contract work at neighbouring farms. Nevertheless, the decline in agricultural employees has been substantial. The total number of agricultural employees on all Glemsford farming units has plummeted from about 110 in 1931 to about 18 in 1983. Six of the 16 farms employed no labour (nationally about three-quarters of farms employed no full-time hired labour). This, of course, has been matched by the greater use of family labour, either on an informal basis - spouses or parents helping out with the books, children with the occasional odd-job and so on - and formally, as a straight partner or by paying commission or a salary. A further 19 people were occupied in this way²⁵.

3.2 The post-war growth of owner-occupation

Since 1945 the growth of owner-occupation has continued apace. By the late 1970s about 57 per cent of farmland in

²⁵ See Davis (1980), Friedmann (1978, 1980, 1981), Hedley (1981) and Mann and Dickinson (1978) for a discussion on the continued strength of the family farm in advanced capitalist economies.

Britain was wholly or mainly owner-occupied (representing 62 per cent of holdings), and 54 per cent of land and 62 per cent of holdings in England and Wales²⁶. These figures are, in fact, likely to be an understatement of the true picture because of the undercounting of owner-occupation arising from the existence of unofficial tenancies for tax purposes (CEC 1981). The Northfield Committee estimated that at least 60 per cent, and possibly 65 per cent, of land was owner-occupied in the 'broadest sense' and the remaining 35 to 40 per cent was let commercially (HMSO 1979a). Many of these farms were family-run businesses²⁷.

Parallel to this increasing demand from owner-farmers has been the purchase at certain periods of farmland by individuals for tax-avoidance and by financial and other institutions (HMSO 1979a; Harrison *et al* 1977; Massey and Catalano 1978; Whatmore 1983; Munton 1985). Farmers of all types - tenant and owner-occupied, arable and livestock, have demanded more land as the minimum profitable farm size

²⁶ There is a severe lack of information regarding the current ownership of agricultural land at a national level. Although occupiers are required to state the amount of land 'owned' and 'rented' on their holdings in the annual agricultural census, the complexity of *de facto* and *de jure* arrangements means that any estimate of the the total amount of owner-occupied farmland must be treated with caution. Sources of information on the ownership and value of farmland are discussed in Lund and Slater (1979).

²⁷ Harrison (1975) found that in the late 1960s 97.5 per cent of all farms, large and small, were genuinely family businesses, where all the principals were related by blood or marriage. A European Community survey estimated that 94.1 per cent of all holdings were sole proprietorships, partnerships or private companies (MAFF 1979a).

has grown with the increased levels of on-farm capital investment. The amount of land coming onto the market each year, however, has been steadily falling since 1945 from a peak of about one million acres in 1947 to under 300,000 in 1974 (Weir 1977). By the late 1970s land sales had dropped to about 178,000 acres (land only) or 282,000 acres (land and buildings) (ADAS 1981).

TABLE 3.9: GLEMSFORD FARMS' LANDOWNERSHIP STRUCTURE

	owner-occupied		rented		total
	acres	%	acres	%	
In Glemsford	1495	81.9	331	18.1	1826
Outside Glemsford	1694	35.4	3089	64.6	4783
Total	3189	48.3	3420	51.7	6609

Source: farm survey

Table 3.9 shows the pattern of landownership on Glemsford's farms. Although less than half the land is owner-occupied (considerably less than the national average), nine of the farms, and all but one operation in the parish, are wholly or predominantly owner-occupied. Renting land, rather than its outright purchase, is still popular. Five of the eight largest farms were wholly or mainly rented. Three of these are owned by private, non-farming individuals or families and the remaining two by institutions (a major life assurance company and the trustees of a local hospital), although there has been relatively little institutional

buying in the area²⁸ (Table 3.10). However, it is not so easy to make a clear distinction between 'owner-occupied' and 'rented' property, because several farmers were involved in complex business relationships which fall outside these categories. The decline of the landlord has, nonetheless, been a dominant feature of the parish's agriculture since the 1920s.

Locally, land prices appear to be somewhat below the average. Table 3.11 indicates prices achieved in some Glemsford farmland sales during the 1970s and early 1980s, compared to the average. However, while the sales prices of owner-occupier land seems to be lower than average, *rents* appear to be very much above the regional norm, which in 1980 was about £24 per acre per year in Suffolk. The two farmers directly renting substantial amounts of land claimed to be paying almost twice this level, for the same grade land.

When we consider the nature of the relations between owner and occupier the picture is somewhat complex. On the largest farm, for example, these cannot be described as a *de jure* landlord-tenant relationship. This operation comprises about 176 acres bought cheaply in 1975 for about £250 per acre and 1100 acres 'rented' from a large landowning family which has

²⁸ Interview with local land agent. The Kentwell Hall estate (2687 acres) was sold to a private investor for about £250 an acre in 1970 and to a life assurance company for almost £1000 an acre in 1981 (in constant prices this represents little overall change).

TABLE 3.10: LANDOWNERSHIP CHARACTERISTICS OF MAIN FARMING BUSINESSES

business	size (acres)	% on other farms	% rented	% owned	landlord type
A	2697	71.9	100.0	-	FI
B	1276		86.2	13.4	TE
C	732		82.0	18.0	OI
D	716	67.6	-	100.0	
E	638		-	100.0	
F	630		88.9	11.1	TE
G	540		-	100.0	
H	431		90.5	9.5	PNF
I	370		-	100.0	
J	336		-	100.0	
I	300		100.0	-	MC
J	244		-	100.0	
K	110		-	100.0	
L	80		-	100.0	
M	27		-	100.0	

Landlord type:

FI = financial institution

OI = other institution

TE = 'traditional' estate

PNF = private, non-farmer

MC = manufacturing company

Source: farm survey

held land locally for several centuries. The farmer described his limited farming company and the estate as 'integral partners', with the rent taking the form of a share in the profits of the 1100 acres. He described himself as a 'consultant-manager' for the estate's owners, receiving a 'consultancy fee' based on productivity. On another farm, a local farmer, who owns over 600 acres in and around the parish, acts as manager and advisor to a foreign absentee owner farmer (who had sold his manufacturing company and farm because of 'political developments' at home). In this instance it was not possible to obtain any details of the

nature of the relationship, although it probably involved some form of profit-sharing agreement. A third case consisted of two farms of 484 and 232 acres, the largest of which was owned by a family trust with the interviewed farmer as a beneficiary. This farmer owned the smaller holding and worked both this and the larger operation, although he would not discuss the details of the financial arrangements.

TABLE 3.11: SOME FARM LAND SALES IN GLEMSFORD

date	acres	price per acre (£)	
		local	England
1973	111	755	851
1975	175	250	575
1979	27	1100	1675
1982	41	2200	1728

Source: farm survey. Average vacant possession land prices (December) from MAFF Series.

5 CONCLUSIONS

Two points emerge from this discussion. First, we have examined the structural changes to British agriculture over the last 150 years, notably the two main periods in which new technology was introduced and the interim 'Great Depression'. Glemsford has been shown to broadly follow these trends, having seen a substantial decline in its agricultural workforce, and generally increased use of new technology and agro-chemicals. Second, we have examined the changing role of land within the agricultural production process, and the fact that land has remained the main input

despite the rise in high intensity farming. While the role of land has remained relatively constant, the landownership relations have, however, altered substantially. In particular, the owner-occupier farmer has come to dominate agriculture since 1945.

This discussion of the changing relations of ownership and the restructuring of the agricultural industry has left a number of questions open, though. In particular, we need to consider the following:

- (1) why were agricultural prices rising in the mid-nineteenth century, despite rising productivity?
- (2) to what extent was landed property a 'barrier' to the restructuring of agriculture during the Depression?
- (3) why were farms in Glemsford relatively under-mechanised?
- (4) what was the relationship between rising land prices and produce prices after 1945?

These will be discussed further in Chapter 6 when we assess the usefulness of rent theory. We will now turn to the housebuilding industry, and examine the its restructuring and changing ownership characteristics.

CHAPTER 4

RESTRUCTURING AND ACCUMULATION: HOUSEBUILDING

1 INTRODUCTION

The previous chapter has discussed the broad structural changes in the agricultural industry in Britain and Glensford. In particular, we have seen how the relations between landowners and capitalists have evolved. In this chapter we turn to the housebuilding industry. As argued in Chapter 2, the relationship between housebuilding capital and landed property can take a number of different forms. This chapter examines this changing relationship, asking a number of questions: how has the organisation of the housebuilding industry changed since the nineteenth century; what is the relationship between housebuilding capital and landed property; what structural changes have occurred in this relationship? This chapter is essentially descriptive, illustrating the forms of ownership and structural changes in housebuilding, rather than attempting to assess the role of rent. It must be emphasised that the analysis deals primarily with *private* sector housing development. While state provision is alluded to, the very different criteria which govern its production mean that a detailed discussion of this sector is not relevant to the questions posed in this thesis. As in the previous chapter, its principal aim is to describe structural trends and identify the key questions for analysis.

2 STRUCTURAL CHANGES IN HOUSEBUILDING 1840-1914

2.1 The housebuilding industry in the nineteenth century

Before the interwar years nearly all housebuilding in Britain was for the private rented sector. Until the 1920s and 1930s, owner-occupation formed only a fraction of the total stock. Only 10 per cent of households owned their dwelling before 1914. By the start of the Second World War the number of owner-occupiers had grown to around a third (Merrett and Gray 1982; Ball 1983). This dominance of the rented sector is important for an understanding of the social and economic relations which prevailed in the building industry in the nineteenth century and, in particular, of output levels, prices and the structure of the industry.

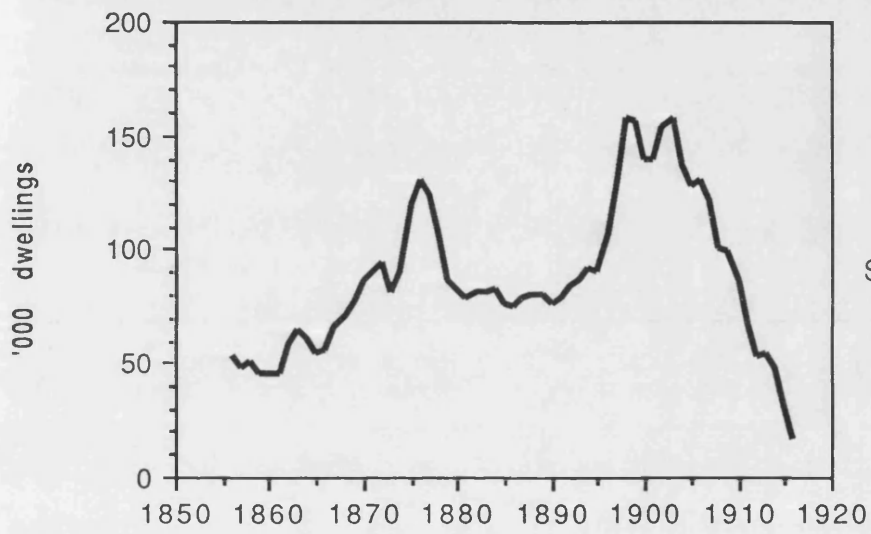
It is hard to obtain any comprehensive figures on housebuilding levels in Britain for the period before 1855, other than from the Census of Population's estimates decennial net increases in the total dwelling stock (Feinstein 1965). After the mid-1850s, more detailed estimates are available (Weber 1955; Saul 1962; Habbakuk 1962; Parry-Lewis 1965; Gauldie 1974). Broadly, these show that average annual housebuilding rates tended to rise slowly throughout the nineteenth century until 1876, when the industry fell into a period of depression. Between the mid-1850s and the mid-1860s annual completions were fluctuating around 45,000-55,000 dwellings. After 1867 housebuilding levels rose substantially and peaked in 1876 at 131,000 (Weber 1955). The annual rate of completions then

dropped sharply until a building boom at the turn of the century (from 1896 to 1903), when 157,000 dwellings were completed. After 1903, housebuilding levels again slumped, reaching 31 per cent of their 1903 peak just before the outbreak of the First World War. Although it is possible that these estimates understate the true level of housebuilding¹, it is clear that even during the booms, though, average annual housing completions were relatively low on a per capita basis when compared with post-1945 standards: perhaps 3.9 dwellings per 1000 people in the 1871 and 4.1 per 1000 in the 1901, compared to a post-1945 peak of about 8 per 1000. Figure 4.1 shows the number of annual completions from the mid-nineteenth century until the First World War.

Housebuilding rates in Glemsford tended to mirror the national peaks and troughs for much of the nineteenth century. Table 4.1 shows the intercensal change in the parish's dwelling stock from 1841 to the present day. While dwelling stock changes are by no means a perfect indicator of total completions since they represent the change net of demolitions, they do nevertheless provide a broad indication of the direction of change. We can therefore see that the period of maximum housebuilding in Glemsford, between 1851-

¹ Cairncross (1953) suggests that the census estimates before 1851 are unreliable because the definition of a 'home' was left to the individual enumerator. Habbakuk (1962) argues that the Weber index understates housebuilding levels during the turn of the century building boom because much suburban development, falling outside urban areas, was unrecorded.

Figure 4.1 Housing completions, 1856-1916 (Great Britain)



Source: Weber (1955)

61 and 1871-81, corresponds with the first major Victorian building boom. The falls in the parish's housing stock between 1891 and 1911 would seem to indicate that very little housing development was being carried out, again mirroring the aggregate, national picture.

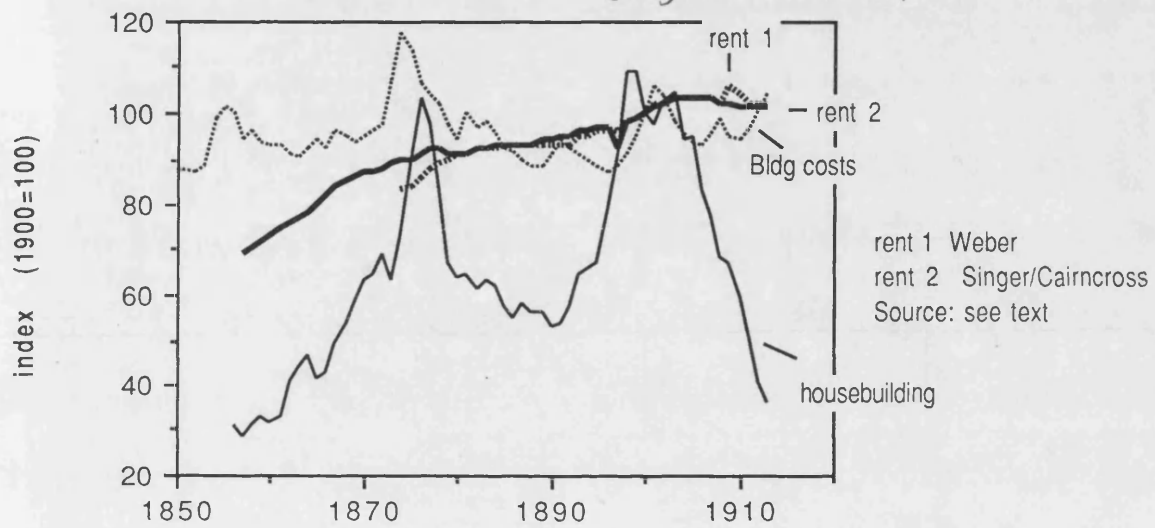
TABLE 4.1: CHANGES IN GLEMSFORD'S DWELLING STOCK

year	households	dwellings	% change
1841	-	329	-
1851	-	352	+7.0
1861	-	429	+21.9
1871	-	464	+8.2
1881	493	499	+7.5
1891	520	508	+1.8
1901	456	470	-7.5
1911	401	454	-3.4
1921	401	414	-8.8
1931	393	393	-5.1
1951	472	469	(+19.3)
1961	521	520	+10.9
1971	673	744	+43.1
1981	856	952	+28.0

Source: Census (various dates)

It appears that for much of the period under consideration there was a long-term rise in housing rents, described as a 'ratchet effect' (Parry-Lewis 1965). Figure 4.2 shows two indices of housing rents together with the Parry-Lewis index of housebuilding activity and the Maywald index of construction costs. It can be seen that there was a slow, but sustained, growth in rent levels throughout the latter half of the nineteenth century, whether the housebuilding level was rising or falling. According to Ball (1983), this is indicative of the fact that there was no sustained

Figure 4.2 Selected housing indices 1856-1913 (England and Wales)



MAP 4.3: TRANSFERS OF LAND FROM AGRICULTURAL TO URBAN USE



decline in building costs and/or rise in building industry productivity. As productivity was relatively static (Ball 1978)², building costs in the nineteenth century were largely dependent on input prices and simply oscillated around the housebuilding cycle. Maywald (1954) estimates that between 1845 and the early 1900s there was no real upward trend in building costs, although there were periodic bouts of price inflation (especially in the early 1850s, late 1860s/early 1870s, 1900, and 1909-1920). These spells of inflation correspond to the booms in housebuilding, lending weight to Ball's view that costs and output were bound together. On the whole, building costs during the second half of the nineteenth century oscillated between 47 and 63 per cent of the 1930 level until 1900, before peaking at 172 per cent in 1920 (Maywald 1954). These figures have been disputed by Fleming (1966), who argues that Maywald has overestimated the price rises because he made no allowance for productivity improvements. However, despite this criticism, the broad pattern of price and productivity changes in the late nineteenth century building industry are clear: costs were tied to the building cycle, and productivity gains were relatively limited.

Unfortunately, there is very little evidence on building costs, profit and productivity levels at a local level, although Parry-Lewis (1965) provides some useful information

² Productivity in the building industry is estimated to have risen by only 17 per cent between 1850 and 1910 (Ball 1978).

on major British cities. This is the case for Glemsford.

* * *

Having discussed the general trends in housing output, it is now necessary to consider how the housebuilding industry was organised. What were the principal agents and what relationships existed between them?

2.2 Relations of ownership in housing development, 1840-1914

Speculative housing development for private renting evolved in the early part of the nineteenth century (see Ball 1981; Clarke 1980, 1981). In the early 1800s landlords wishing to build housing would hire labourers directly. This practice ceased after the 1820s, when the guild system began to break down (Ball 1981). Ive (1981) has argued that along with rapid urbanisation, new markets for buildings as commodities developed. The predominant form of production involved capitalist building contractors rather than 'own-account' developers or pre-capitalist 'guilds' and master-craftsmen. But an additional feature of early Victorian housing development was the existence of an intermediary between the landowner and the builder, the 'estate developer'. Estate developers essentially bought or leased land, which they then subdivided, laying out the basic street pattern. The whole site, or individual plots, was then sold or leased to speculative builders. If the land was provided on a leasehold basis, the estate developer would negotiate a building agreement with the landowner, and benefit from the difference between ground rent paid to the landowner and ground rent received from the speculative builder. The

original landowner retained an interest in the ground property, and thus benefited from the long-term increase in rents and leasehold reversion, while the estate developer profited from the sale of building leases. There was therefore a complicated relationship between the different interests involved in housing development and even on a single estate the relations could vary:

'In the 1840s about half the houses of the Duke of Bedford's estate - those built most recently - were let on ground rent. The ground rent was paid by the builder of the dwelling, who ... contracted to pay a certain sum to the Duke of Bedford for an area of building land ... , the ground rent on each house not exceeding a proportion of the rack rental - or full commercial value - of the house. In other words, the capital of the Duke of Bedford and that of (the builder) ... were joined together, the Duke taking a small fixed sum as his share of the profits, although acquiring an increasing interest in the joint capital as the lease approached its end ... The other half of the houses ... was on rack rents. Earlier building leases had fallen in and the houses had become the Duke's property, on which occasion he stepped into, the builder's place, dealing directly with the occupants ... in the course of time the houses required complete rebuilding, and then rents resumed their original state of ground rents. Thus the Duke of Bedford's estate, having been built on at different times, was partly on ground rent, partly on rack: a state of affairs which the Duke's agents found most agreeable, for it allowed the falling rents on one part of the estate to be offset by the rising rents on another.' (Spring 1971: 40-41)

Just as there was considerable variety in the relations between landowners, developers and builders, there was also a range of developer-types. Bowley (1966) notes that by the end of the nineteenth century a number of profit- and non profit-making organisations had emerged, including building and co-operative societies, local authorities (to a limited extent), charitable trusts, as well as speculative developers. The last, though, remained relatively

insignificant and the overwhelming majority of dwellings was built speculatively.

The estate form of housing development arose for several reasons. An important factor was the lack of a suitable network of financial institutions, which meant that developers were dependent on links with wealthy associates. Large amounts of capital were also required at an early stage in the development process, meaning that most builders, who tended to be small-scale, were unable to participate on financial grounds. Estate developers, with access to investment money from wealthy associates, were able to reduce their initial costs by subletting building plots at an early stage (see Ball 1981; Thompson 1963; Spring 1971).

On the whole, landed property did not to become directly involved in urban development. This was for a number of reasons. The existence of strict-settlement and covenants restricting the use of land was relatively common at this time, and this sometimes limited the nature of development. Many landowners also wished to maintain an aristocratic, 'landed' image, and avoid direct involvement in either manufacturing industry or speculative construction. However, Ball (1981) argues that a more important reason was the desire of landowners to avoid speculative risks in a fluctuating housing market. It was far better to lease land to estate developers, who would bear the financial risks. Landowners generally preferred to opt for longer-term rental

returns and the possibility of boosting ground rents upon expiry of the lease. To say that landowners were more interested in long-term gains is not to deny that substantial short-term returns were possible: as Spring (1971) has shown, the development gain associated with urban growth could be large. A plot of land in Birkenhead was said to have risen in value in a few years in the 1840s from £6000 to £30,000, and land in the Blackpool area rose from several pounds an acre to £60 an acre in the 1860s.

The leasehold form of ownership was not without its problems, though. In particular, developers were sometimes faced with numerous restrictive covenants, making it harder to obtain finance from investors. Furthermore, the level of market demand at the local level was important in determining the length of the lease, with landowners in areas of high demand imposing shorter leases in order to benefit from frequent rent reviews (Ball 1981).

To what extent was this pattern characteristic of the situation in Glemsford? Were Glemsford capitalists, whether manufacturing or agricultural, involved in housebuilding or house ownership as landlords? It is quite clear that many local capitalists were not exclusively involved in any one business activity. The farmers often ran other small businesses. James Mallym, for example, was both a farmer and

brickmaker with seven employees in 1871³. Perhaps the one area of village life upon which the fortunes of the local agricultural and manufacturing capitalists was most felt was the production of housing. The Tithe Record shows some 240 houses, about 82 per cent of the total stock of inhabited dwellings, in the hands of 46 landlords, although this ownership was heavily concentrated with the top seven owners holding half the total. Many of these landlords were involved in other business activities, either in manufacturing, building or farming or, sometimes, in all three. Thus we find Edward Byford, who was described as a thatcher in the 1844 *White's Guide to Suffolk*, also renting out six cottages and a shop in the Tithe Record. Of the farmer-landlords, the Bigg family had the monopoly. Not only did they farm some 300 acres (and own over 200), but they also held almost a tenth of the housing stock. We can therefore speculate that money made in various business activities found an outlet in landlordism in Glemsford.

Some idea of the proliferation in private 'landlordism' in Glemsford during the late Victorian era can be gained by comparing the record of landlords in the 1840 Tithe record and the 1910 Inland Revenue Survey. These show that throughout the late nineteenth century the bulk of Glemsford's housing stock was owned by private landlords, most of whom were relatively small scale. In 1840 all but 50

³ Census Enumeration Book, 1871.

of about 291 inhabited dwellings (83 per cent) were rented from 46 landlords. By 1910, however, 95 per cent of all inhabited dwellings were rented and the number of landlords had increased to 73 (although the average holding per landlord decreased from about six to five dwellings)⁴. There was little change in the overall concentration of ownership amongst landlords, although during the intervening years, a certain amount of 'accumulation' occurred. Table 4.2 shows the main housing landlords in 1840 and 1910. But 'landlordism' in nineteenth century Glemsford was not simply a 'passive' matter of owning housing for rent for a number of landlords were actively involved in *housebuilding*.

Who were these landlords and who was responsible for housebuilding in Glemsford? The major landlord and housebuilder in Glemsford during the 1870s and 1880s was Henry Eaton (cf. Chapters 3 and 5), a major local landowner and sometime owner of the silk mill. During his years in the parish he purchased over fifty dwellings, almost thirty of which were from Alexander Duff, who had made money from the silk mill⁵. He also built sixty cottages, mainly during the period of most rapid population growth in the 1870s and 1880s. Generally, Eaton built his housing in a fairly piecemeal fashion, buying small parcels of land when they became vacant and presumably using local builders and labourers. Of the total increase in the housing stock

⁴ IRLV

⁵ 'Abstract of Title'. SRO 821/1

between 1841 and 1891, Eaton was responsible for some two-thirds, and was thus clearly an important force behind the development of the parish's urban fabric.

Most of Eaton's purchases of land for the construction of housing were from small local farmers or smallholders. For example, about an eighth of an acre was bought from Charles Bigg, a farmer from neighbouring Stanstead, in August 1850. Four cottages were built on this particular site. The total amount of land converted from agricultural to urban use can be seen in Figure 4.3. There are no details available on who built the roughly 120, other than those of Henry Eaton, which made up the increase in the total stock from 1841 to 1891.

But Henry Eaton was by no means typical of Glensford's landlords. Since no single proprietor owned as many as Eaton's total of 113 houses in 1910, we must presume that when the bulk of his estate (the non-farmland element) was sold in 1887 it was broken-up, with a number of landlords purchasing blocks of housing. Who were the beneficiaries of this bonanza? By referring to the trade directories, the Register of Electors and the Censuses it is possible to examine the occupation and origins of the principal landlords listed in the 1910 survey. Most were members of the upper-echelons of the Glensford social structure: amongst others there were a number of factory managers, shopkeepers, builders, a farmer (William Goodchild), and a coal merchant. It is not possible to say precisely how the

occupational structure of the parish's landlords changed between 1840 and 1910. Two groups, the factory managers or owners and the builders, appear to have been well-represented throughout the period (perhaps not surprisingly, given their relatively privileged income status). It is *possible* that there were more farmers and skilled craftsmen - carpenters and thatchers, for example - during the 1840s. The largest landlord in 1910 had, in fact, been described as a shoemaker in the 1881 census. Given the declining importance of this group (see Chapter 5), it is to be expected that they would be less well represented amongst the list of landlords in the later years.

* * *

In summary, during the period from the mid-nineteenth century to the First World War housebuilding in Britain was dominated by construction for the private rented market. The industry consisted largely of a chain of interlocking agents - landowners, estate developers, builders, housing landlords - each of which was in an intermediate position. Builders tended to be small-scale and under capitalised. Throughout the period levels of housebuilding tended to rise slowly, along with housing rents, although there were also periodic booms and slumps in output. There were only limited improvements in productivity as building costs were dependent on input prices and oscillated around the housebuilding cycle.

In Glemsford, housebuilding also exhibited this characteristic boom and slump cycle. The main developers tended to also be the major manufacturing and agricultural capitalists, while housing landlords were predominantly drawn from the class of small, local business owners.

TABLE 4.2: MAIN HOUSING LANDLORDS, 1840 AND 1910

1840			
Name	No. of dwlgs.	% of all dwlgs.	Cumulative %
William Byford	43	13.1	13.1
Alexander Duff	19	5.8	18.9
John W. Bigg	15	4.6	23.5
Elizabeth Gridley	12	3.6	27.1
James Allen	12	3.6	30.1
William Thurbine	10	3.0	33.7
Robert Grimwood	9	2.7	36.4
Daniel Mills	8	2.4	38.8
Jeptha Twin	8	2.4	41.2
Daniel Gridley jr.	7	2.1	43.3
William Russels	7	2.1	45.4
James King	7	2.1	47.5
Ambrose Sheperd	6	1.8	49.3
Edward Byford	6	1.8	51.1
1910			
Name	No. of dwlgs.	% of all dwlgs.	Cumulative %
Edward Underwood	30	6.6	6.6
Archibald Cook	20	4.4	11.0
Marcia Cook	20	4.4	15.4
A. Game	20	4.4	19.8
William Goodchild	18	4.0	23.8
H. Bigmore	14	3.1	26.9
A. Clarke	12	2.6	29.5
A. Turnin	11	2.4	31.9
Next 4 owners	40	8.8	40.7
Next 6 owners	46	10.1	50.8

Source: 1840 Tithe Survey and 1910 Inland Revenue Survey

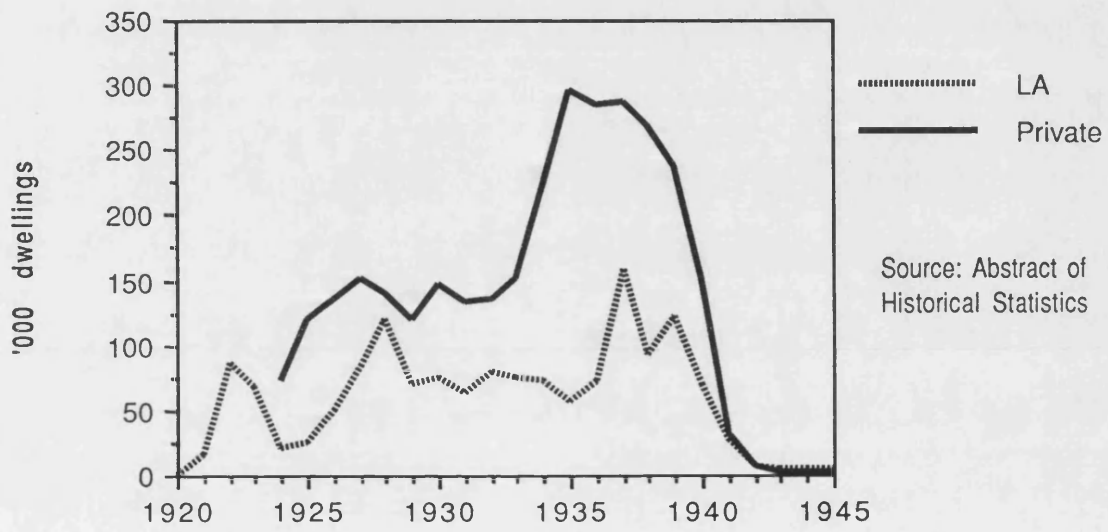
3 STRUCTURAL CHANGE IN THE INTER-WAR YEARS

3.1 The shift to owner-occupation

During the 1920s and 1930s, the British housing provision system changed radically. Not only was there a fundamental shift in tenure, but for much of the inter-war period there was a massive building boom. Broadly, the inter-war era saw the replacement of a housing provision system dominated by private renting with one where two dominant forms of tenure emerged – public renting and owner-occupation. The state played a greatly enhanced role via the provision of local authority housing and speculative developers greatly expanded the production of owner-occupier housing. In the twenty years from 1920 to 1940 over 4.6 million dwellings were completed, more than in the entire period from 1875 to 1919 (figures from Feinstein 1965). Annual housing completions grew rapidly from about 26,000 in 1920–21 to 350,000 in the mid-1930s (Merrett 1979; Merrett and Gray 1982; Ball 1983), with the highest annual output in 1927 and 1937. This represents a per capita housebuilding rate unmatched at any time before or after. Figure 4.4 shows the level of completions from 1918 to 1945.

While the inter-war years represented something of a formative period for local authority housing provision in Britain, the overwhelming bulk of the building boom was provided by speculative developers, building largely for owner-occupation (see Ball 1983; Merrett and Gray 1982; Boddy 1980; Jackson 1973). Of the 4.6 million completions during the 1920s and 1930s, about 26 per cent, or 1.2

Figure 4.4 Housing completions, 1920-45 (Great Britain)



million were built by local authorities. Owner-occupation as a housing tenure expanded from 10 per cent of the housing stock in 1914 (with the balance comprising private renting) to 32 per cent in 1938 (with private renting forming 58 per cent and local authority housing forming 10 per cent) (Merrett and Gray 1982).

For much of the inter-war period building costs fell, from a post First World War peak in 1920 to around half that level in 1933 (Feinstein 1965; Maywald 1954; Fleming 1966). During this period the housebuilding industry also saw a gradual improvement in productivity, as innovations in building materials filtered through (Bowley 1966; Ball 1978). Lomax (1959), on the other hand, argues that the average annual rate of productivity increase for the building contracting sector between 1924 and 1935 was less, at 1.2 per cent, than during the period 1907-24 (1.7 per cent). Building materials, however, saw a rise in productivity growth, from 1.9 per cent to 2.1 per cent. However, the contracting sector may well not be entirely representative of the housebuilding industry, which was made up of speculative developers, essentially analogous to the nineteenth century estate developers (see below). However, even for speculative developers, economies of scale were emerging, as the size of developments grew and the average cost per dwelling declined (Ball 1983).

Figure 4.5 shows the relationship between the average price

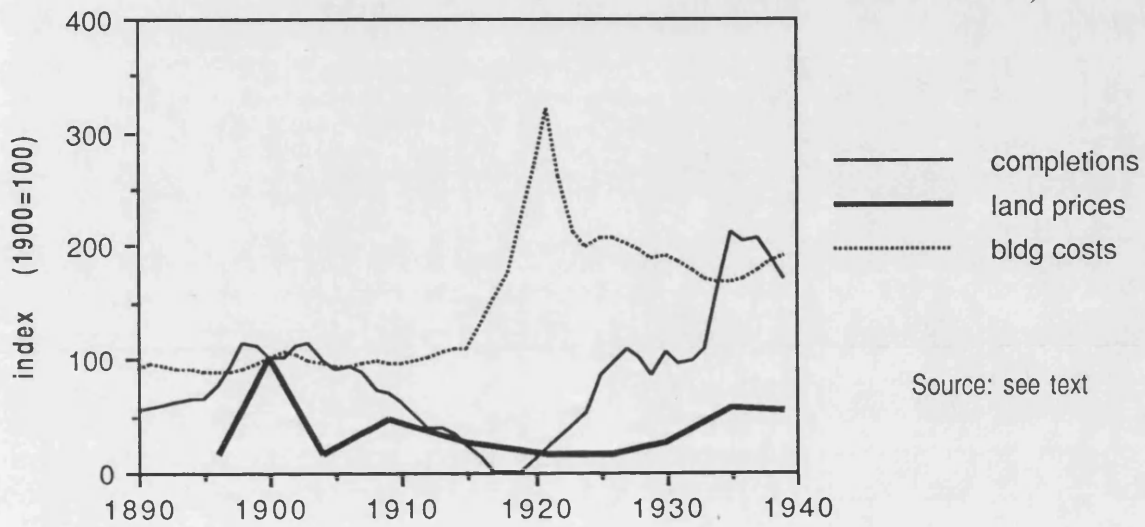
of building land⁶, private sector completions and building costs. It can be seen that following a substantial bout of land price inflation during the turn of the century and a rise in prices before the First World War, land prices fell until the late 1920s. Apart from during 1914-18, building costs remained relatively stable and even declined for much of the inter-war period. It is also clear that the rapid growth in private sector completions after 1920 was not matched by any significant land price or building cost inflation for perhaps five years. Even by the late 1930s, land prices failed to reach their previous peak at the turn of the century. Total spending on development land seems to have risen considerably, though, probably reflecting the increased levels of housebuilding activity. Feinstein (1965), estimating land costs at a constant 7 per cent of the value of dwellings⁷, shows that in 1930 prices investment in land for housing development grew by 67 per cent between 1920 and 1938.

While there is only limited information on the changing price of owner-occupier housing during the 1920s and 1930s, it is possible to detect a slow rise between the late 1920s

⁶ Using the Vallis index of land prices at auction (Vallis 1972). As Ball (1983) notes, this may overstate land prices because the rise in real land prices in the early 1930s was partly a product of the fall in general prices, as well as a rise in the 'actual' money price of land. Furthermore, auction sales represent an extremely expensive way of buying land, avoided by larger developers.

⁷ Feinstein notes that this probably underestimates total spending on land as the land element in house prices may have risen during boom periods.

Figure 4.5 Private housing completions,
land prices, building costs 1890-1939 (Great Britain)



Source: see text

and 1930s. Feinstein (1965) estimates that during the 1930s the average sales price was about £485, with about 38 per cent of all private sector dwellings built between 1930 and 1938 falling into a cheaper range (average price £350-450). Almost half (49 per cent) were priced between £480 and £580, and 13 per cent from £900 to £1000. In London, prices were noticeably higher, with the bulk of dwellings built during 1930-35 falling into the range £550-1000 (Jackson 1973). It is possible, in Greater London at least, that house prices saw a slow rise in the inter-war years. According to Jackson's estimates, the average range in the late 1920s was £600-850, with a standard semi-detached house costing something over £700. Between 1930 and 1935, the range was £550-1000, with a standard semi costing upwards from £850. Given the general stability, and even deflation, of product and consumer prices at this time, this represents a real increase in house prices.

There is very little information on housebuilding in Glemsford from the early 1900s to 1945. It is likely that speculative building would have ceased, given a declining population and local economic depression (see Chapter 5) curtailing effective demand. Between 1901 and 1931 the total number of dwellings actually declined from 470 to 393 and the total population dropped to half its 1881 peak (see Table 4.1). No new housing was built until a small local authority estate (initially consisting of 30 houses) in

1945/46⁸.

Little is known of the changes to housing ownership during the inter-war years. There is no record of the changing pattern of tenure during this period, hence the growth of owner-occupation (if it took place at all) cannot be traced. No council housing was built in the parish during the inter-war years. This may have been because there was a surplus of dwellings as the population fell, although this surplus was not sufficient to prevent the horsehair company, Arnold and Gould Ltd. from purchasing a number of houses for its expanding workforce⁹.

3.2 Relations of ownership in housing development, 1918-1939

During the 1930s the modern speculative housebuilding industry was established. In form, as well as members, it has changed remarkably little since this time. Firms such as Costain, Laing, New Ideal, Taylor Woodrow, Wates and Wimpey were all either created or expanded during this period. Some were to become very large: according to Ball (1983), annual completions of over 5000 dwellings were common. Gradually, these large developers expanded, squeezing out smaller speculative *develb*ers, many of which were not builders at all. Jackson (1973) notes that the building booms of the 1920s and 1930s attracted many non-builders such as estate agents, small entrepreneurs, and farmers. This may have

⁸ 'Estimates, letters, plans re. erection of thirty dwellings' (SRO: EF 501/1/81 and 82).

⁹ Interview with present company owner.

accounted for the increase in the share of output by small firms, from 31.6 per cent to 42.3 per cent, observed by Bowley (1966) over the period 1924-35. Nevertheless, the late 1920s and early 1930s saw the consolidation of the large developers and the entry of civil engineering and general contracting firms.

The shift towards production for the owner-occupier market meant that housebuilding and selling became more important in the profit-making process, since developers had a more reliable market than under the private renting system. According to Ball (1983), the growth of owner-occupation broke the 'ratchet' effect of private renting. The prices paid by owner-occupiers are related only to the time they move and therefore need not bear any relationship to current market trends. Since the market is for vacant or vacated dwellings, prices only change within that segment of the market. This means that current market prices are only passed on to *new* purchasers, rather than to the whole sector as is the case with private renting. For housing developers, this means that providing they are able to read the market signals and can change their product and geographical location accordingly, there is potentially a higher degree of reliability than with construction for private renting.

It has been argued (Ball 1983) that these changes meant that land dealing, which had been a major source of profits for the nineteenth century developer, was reduced in

importance, to be partly replaced by the building and selling of houses and market share. However, we should not neglect the continued significance of land speculation during the inter-war years. From the mid-1920s until the late 1930s the real price of development land^{rose} from around £2000 to £9000 per acre (1975 prices), although Ball (1983) notes that this rise was as much the result of general price deflation as a rise in the actual money price of land. Nevertheless, the existence of a tier of land speculators between builders and landowners did result in inflationary pressure on specific sites, which often changed hands several times prior to actual development. For example, one site which sold for £800 per acre in 1919 was resold in 1922 for £5800 per acre. Another site increased in price from £150 to £960 between 1919 and 1924 (Jackson 1973).

In some ways, then, the relations of production were not dissimilar to the nineteenth century model, with housing being developed via a chain linking landowners, land speculators/estate developers, and builders. The difference, of course, lies in the fact that the final product was sold to the consumer, rather than rented, thereby breaking the link between landowner and housing consumer, and breaking the 'ratchet effect' of rents and housebuilding levels.

4 STRUCTURAL CHANGES SINCE 1945

4.1 The Housebuilding industry in since 1945

Since 1945 the production of new housing in Britain has been dominated by two features: rising levels of owner-

occupation and the initial growth, followed by decline of local authority-funded housebuilding. Privately rented housing declined as a proportion of the total stock from 58 per cent just before the Second World War to 32 per cent in 1960, and under 10 per cent by the mid-1980s. Local authority housing grew rapidly after 1945, from around a tenth of the stock to 32 per cent in 1980. This rise was reversed in the early 1980s and its share has now declined by a few percentage points. Owner-occupation, however, has risen inexorably, from about a third to around 60 per cent of the stock (Ball 1983; Merrett 1979; Merrett and Gray 1982).

Along with these trends in the tenure of housing, there has been a series of substantial housebuilding booms and slumps. Private sector completions peaked 1961 (at 178,000), 1964 (at 218,000), and 1968 (222,000), before steadily declining throughout the 1970s to reach a low in 1981 of 114,000 (although there was something of a revival during the mid-1980s). Local authority completions grew rapidly after the Second World War, to peak in 1953 (at 229,000), then declining to a low in 1961 of 106,000. Production for this sector grew again during the 1960s, to reach 181,000 in 1967, before falling until 1973 (88,000), and seeing a mini-boom from 1974 to 1977 (up to 130,000 completions). Since 1979, however, local authority housebuilding has collapsed, reaching 26,000 in 1985, and even lower levels by the late

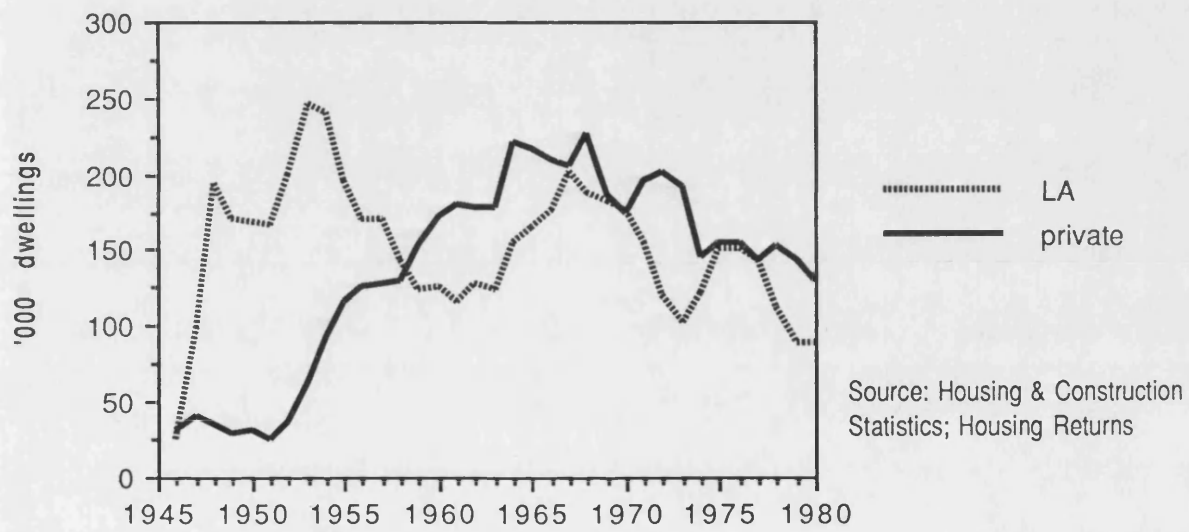
1980s¹⁰. Figure 4.6 shows these trends.

Following a rapid rise after the Second World War, house prices grew relatively slowly (and actually declined in real terms) during the 1950s. For much of the 1960s house prices grew at a faster, but relatively constant, rate of 5 to 10 per cent per annum. Since the early 1970s, though, the pattern of price change has moved to one of substantial inflationary booms (reaching almost 40 per cent in 1972 and 30 per cent in 1980), followed by slumps, both in nominal and real terms (Ball 1983). These inflationary bouts have been geographically variable, although it is true to say that over time, relative to each region, relative house prices have tended to remain relatively constant (Hamnett 1983; Barlow 1989a).

How have the economic characteristics of housebuilding changed since the Second World War? Ball (1978, 1983) has carried out extensive research on the post-war British construction industry. In particular, he has examined the relationship between construction costs, housing and land prices, and output and productivity. We will return to a discussion of the relationship between land prices and the housebuilding industry in the discussion on rent theory in Chapter 6. For the moment it is necessary to outline some of the principal trends in prices and costs.

¹⁰ Figures from Department of the Environment *Housing and Construction Statistics* (various dates). Also Merrett (1979) and Merrett and Gray (1982).

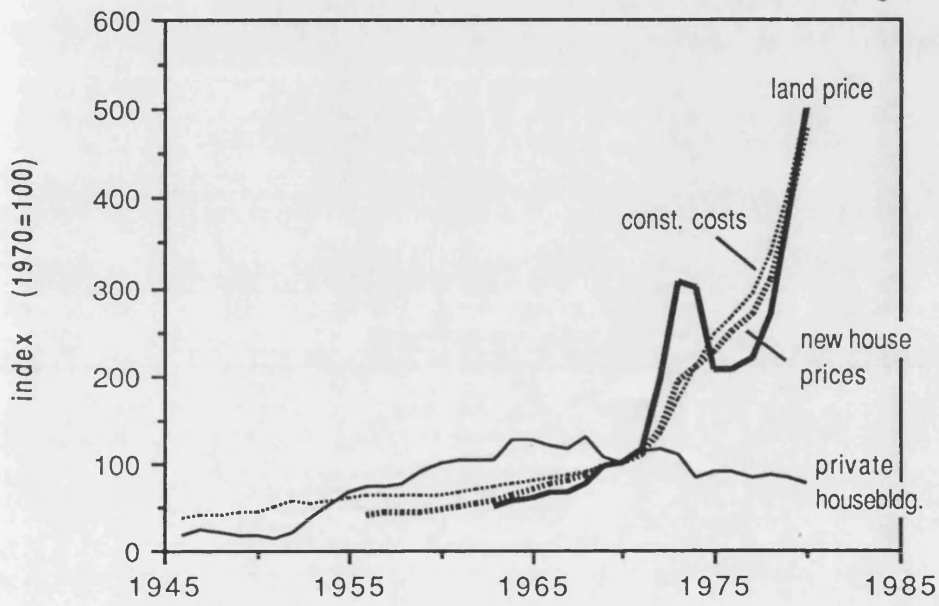
Figure 4.6 Housing completions, 1946-80 (Great Britain)



Construction costs have tended to follow house prices and output levels fairly closely, at least during the period after 1970 for which the most detailed information is available. This has meant that construction costs grew rapidly during the early 1970s housebuilding boom, reaching a quarterly inflation rate of almost 10 per cent in 1973. The same pattern was repeated during the boom in the late 1970s. In productivity terms, the partial evidence that exists tends to show that the housebuilding industry has lagged behind other sectors of production. Ball (1978) argues that this has been the case since the 1960s: in fact most estimates of the (limited) productivity gains may well have overestimated the situation since they fail to include the large numbers of unregistered self-employed workers that make up much of the industry's labour force. Lomax's (1959) estimate showing a 3.6 per cent per annum average productivity rise between 1949 and 1955 (better than manufacturing industry) may have therefore overstated the situation. Figure 4.7 shows the main indicators for post-war housebuilding: output, land and house prices, construction costs.

We will also briefly examine the change in the price of development land here, but again leaving questions of the *relationship* between land prices, building productivity and house prices to Chapter 6. During the 1950s and 1960s the real price of land for residential development tended to rise persistently. There an approximate threefold real increase from 1947 to 1967 (Ball 1983; Vallis 1972), but

Figure 4.7 Selected housebuilding cost indicators (Great Britain)



Source: Housing and Construction Statistics (various dates)

without any striking booms or slumps. Since 1970, however, land price inflation has mirrored house prices and building costs. Between 1971 and 1973 the average real price per plot rose from about £1800 to £4000 (1975 prices), before plummeting back to the initial level in 1977. The late 1970s saw a further round of price inflation, although not nearly as sharp as in the early period¹¹.

In Glensford the rapid population growth in the 1960s and 1970s (Table 4.1) has been felt in the demand for new housing. Between the late nineteenth century and the early 1960s it seems that there was little addition to the total housing stock with the only new development occurring in 1946 when thirty council houses were built (see above). During the 1960s, though, a building boom (in local terms) began. It is not possible to obtain a completely accurate estimate of housebuilding in the parish because of changes to the census definition of dwellings¹². However, between 1961 and 1981 there was a net addition to the total housing stock of about 350 dwellings (see Table 4.1). Figure 4.3 shows the extent and location of new housing development in the parish. Per capita housebuilding rates during the 1960s were high at about 11 dwellings per 1000 population, compared to a maximum of about 8 per 1000 in Britain as a

¹¹ Figure from Department of the Environment *Housing and Construction Statistics* (various dates).

¹² No Census Small Area Statistics figures are available at this level before 1971.

whole. Virtually all this new growth was the result of private sector activity. Between 1977 and 1981 a total of 63 private sector dwellings were completed, with a further 106 in 1982 with the first phase of the Barratt's development. In January 1983 there were outstanding planning permissions for a further 177 dwellings, including some under construction (BDC 1983).

It is not possible to build up a comprehensive picture of house price changes in Glemsford because of the small number of observations. One development, comprising 14 semi-detached and detached houses, was priced at £21,000 to £23,000 in mid-1982. It was argued that there had subsequently been a shift in demand towards smaller houses and bungalows¹³. The prices on the largest new development, by Barratt Anglia Ltd. were slightly lower. These suggest that the price of new housiⁿg was slightly lower than the prevailing East Anglian average of £25,992.

More detailed geographically localised data on house prices has only become available since building societies - in particular the Nationwide Anglia - have made their records available in the late 1970s. However, there is no information on house prices *below* the District level and the quality of ^{the} latter tends to be limited by the small number of observations in many Districts (see Barlow 1989a). There is some limited local evidence for the mid-1980s from the

¹³ Interview with builder/developer.

Nationwide Anglia Building Society: this showed that for a typical three-bedroom semi, Babergh (within which Glemsford is located) had the eighth highest average price amongst the twenty East Anglian Districts¹⁴. In East Anglia as a whole, prices have displayed the same boom and slump cycles as in Britain as a whole, peaking in 1972 and 1979. As noted above, house prices have tended to converge with the national average during periods of rapid inflation: in 1977 (a time of low inflation) the average three-bedroom semi was 90.8 per cent of the national average. This rose steadily to reach 97.6 per cent in 1980 (a time of high inflation), before falling back to 91.6 per cent in 1982 and 91.7 per cent in 1984¹⁵.

From Table 4.3 it can be seen that in East Anglia average real plot prices have risen during times of house price inflation. There was a real increase of 193 per cent between 1971 and 1973, followed by a period of striking deflation. Land (and house) prices rose again in 1979-80. After the rapid inflation during the early 1970s, though, the land price element in house prices has tended to remain relatively stable, at around 8 to 10 per cent. In Glemsford, there is some limited evidence of inflation in the price of land for residential development. One site was sold for

¹⁴ Nationwide Anglia Building Society (1988) *House Price Highs and Lows. A Local View*. London: Nationwide Anglia Building Society.

¹⁵ Derived from Nationwide Anglia Building Society quarterly house price bulletins (various dates).

TABLE 4.3. AVERAGE REAL LAND AND HOUSE PRICES IN EAST ANGLIA

1975 prices

Year	Price of new dwellings	Price per plot	Plot/dwelling per cent
1970	8315	967	11.6
1971	8347	799	9.6
1972	10803	2000	18.5
1973	13745	2341	17.0
1974	13634	1345	9.9
1975	11371	1351	11.0
1976	10426	929	8.9
1977	9305	963	10.3
1978	9947	793	7.8
1979	11389	1023	8.9
1980	12844	1058	8.2
1981	11969	703	5.9
1982	10935	998	9.1
1983	11318	1047	9.3
1984	12022	862	7.2

Source: DOE *Housing and Construction Statistics* (various dates)

£6000 per plot in 1979 (£3619 in 1975 prices), considerably above the East Anglian average. Another site was sold in 1975 for £2500 per plot, again considerably above the regional average¹⁶. Given that the type of dwelling constructed on each site was broadly similar, this would represent 45 per cent real increase in the price of the available land with planning permission between 1975 and 1979. While the limited number of observations of course makes such calculations somewhat tenuous, they do give us some impression of the nature of the local market for development land.

¹⁶ Figures from interview with local builder/developer and Babergh District Council Chief Planning Officer.

* * *

In summary, therefore, it is clear that the post-war period in Britain has seen the reinforcement of trends started during the 1930s, together with some fundamental shifts in the nature of housing provision. In particular, owner-occupation has risen substantially, largely at the expense of private renting and, more recently, local authority housing. Another feature of the post-war years, especially, since the late 1960s, has been the emergence of sharp inflationary cycles in building and land costs and house prices, together with distinct booms and slumps in the level of production for the owner-occupier market.

Glensford is no exception to these trends, having seen considerable amounts of new owner-occupier construction during the 1960s and 1970s, although there have been some local divergences in house prices and land costs.

4.2 The relations of production in housing development since 1945

Since 1945 the housebuilding industry in Britain has evolved from its inter-war structure. We have seen how the modern form of speculative development was established during the 1920s and 1930s. This comprises, today, a number of distinct developer types (see Ball 1983, 1988; Smyth 1985b; Short *et al* 1986; Couch 1988). First, there are speculative developers, primarily concerned with building for the owner-occupier market. These firms can be divided into small local developers, operating within a limited geographical radius; medium sized regionally-based firms;

and large national developers, which tend to be organised regionally. Second, there are a number of firms which are the housebuilding arms of large contractors and civil engineers. These firms have moved into housebuilding as a way of maintaining cash flow and high profits during times of slump in the contracting sector (Ball 1988). Third, there are a large number of small builders, operating at a highly localised level. These do not necessarily develop housing as the main part of their activities: speculative housebuilding is carried out when and where they can obtain land.

Additionally, there still appears to be a tier of specialist land speculators (as in the 1930s). There is very limited information on this sector¹⁷, but these are probably most active in areas of rapid land price inflation and highest land prices. Specialist land speculators tend to be separate from farmers and agricultural landowners, and are drawn from the ranks of the various property 'professionals': estate and land agents, surveyors, solicitors and so on.

The most important feature regarding land, though, is the role of the state in 'rationing' development rights through the land-use planning system. Land is still largely owned privately, despite various attempts to introduce public ownership of development land. However, control over the *location* of development and *permission* to develop lies in

¹⁷ See Healey *et al* (1982) and Barlow (1989b) for some information.

the hands of local authorities. We will discuss this issue further in Chapter 7.

Another important trend in the post-war housing development industry has been a growing concentration of production during the 1970s and 1980s. This has occurred as large and medium sized developers have merged, and large firms have expanded through internal growth (Ball 1983; Couch 1988).

In relation to the structure of the housebuilding industry in Glemsford two points must be made. First, it appears that several different types of housebuilder have been involved in the small-scale local building boom of the 1970s. These range from small local piecemeal builders through farmers-turned-builder/developers to Barratt Developments, one of the largest speculative housebuilding groups in Britain. Second, as we have seen, the value of development land in Glemsford has probably risen significantly in real terms during the late 1970s. However, local farmers have *not* been involved in the land development process to any great extent, despite the fortyfold price differential between the value of farmland and the value of housebuilding land. As we saw in the previous chapter, changing agricultural technology has led to an increase in the minimum profitable farm size. This has meant that there is a potential for conflict and competition with developers over land coming onto the market, depending, of course, on the specific needs of individual farmers and their willingness to expand.

Although some farmers were in a position to sell marginal land for housing development, the relative prosperity of agriculture during the 1970s and early 1980s negated this necessity.

In fact, whilst a certain amount of housebuilding took place on small infill plots, much of the activity was on just two large sites. Both of these have a chequered and contrasting history of ownership. The land for ^{the} largest development (the 'Kings Road' development) originally formed part of a small split-site farm. Around 1970 the farmer, together with the owner of the site access, jointly sold the land to a local builder/developer. This company gradually developed the site in conjunction with the original landowners on a plot-by-plot basis, catering relatively flexibly for demand as it was felt. By the mid-1970s, however, lack of capital forced both parties to place the remaining land onto the market¹⁸. This was a period of collapsing housing output nationally (see above). The Kings Road site was eventually bought by the regional Barratt Developments subsidiary, Barratt Anglia Limited¹⁹. Barratt Anglia had at that time been extremely keen to obtain building land in the area as the company as a whole expanded

¹⁸ Interviews with builder and previous landowner.

¹⁹ Barratt's specialised at that time in purchasing existing land banks from developers in financial difficulties (see Ball 1983).

its land bank in the South East²⁰. Adverts in the local press stated that 'Barratt Anglia Limited urgently require housing development land with planning permission (minimum 30 units)' (*Hadleigh Weekly News* 29/10/82). The Barratt's scheme, a purely speculative development of mixed dwelling-types, is relatively large with over 100 houses and flats completed by 1983 and outstanding planning permission for another 53 (BDC 1983).

The second major development (the 'Silk Mill' site) was undertaken by a Glensford builder. Although the pace of building has been slower than at Kings Road, this development is projected to eventually be as large as Barratt's. While both developments are speculative, inasmuch that housing is being produced as a commodity for sale on the market, in the case of the Silk Mill site the local company appears much more flexible and responsive to changes in the nature of that demand. Development is taking place in phases (with about 10-15 dwellings completed per phase) and the length of time between initial land purchase and completion of the first phase (about seven years) has allowed the builder to adjust to changes in demand. Initially this meant that relatively large semi-detached and detached houses were built. However, the demand shifted to bungalows, according to the developer²¹, which were to form

²⁰ See *The Guardian* 25/1/85.

²¹ Interview with builder.

the second stage.

Although all new development during the 1960s and 1970s was within the private sector, the role of local authority housing should not be overlooked. About 15 per cent of dwellings (131) were owned by Babergh District Council in 1981, the bulk of which having been built in the late 1940s. During the early 1980s the council has been filling in vacant land on this site with special needs ('old peoples') housing.

5 CONCLUSIONS

We have examined the changing structure of the housebuilding industry, together with some broad features of housing output - completions, tenure, housing and land prices, building costs and productivity - since the mid-nineteenth century. We must now conclude by considering some of the implications of these features for our analysis. A number of questions remain to be explained. At the aggregate level, the following questions remain largely unanswered:

(1) what was the relationship between rising housing rents, land prices, building costs, and productivity in the nineteenth century?

(2) what were the causes of the housebuilding cycle in the late nineteenth century?

(3) why did private renting begin its long-term decline before the First World War?

(4) what was the reason for the owner-occupier boom in the 1920s and 1930s?

(5) what is the nature of the post-war relationship between land prices, houses prices, building costs and productivity in the speculative owner-occupier market?

In relation to Glemsford, it is necessary to examine the specific reasons for the booms and slumps in private sector housebuilding during the nineteenth century. Second, we need to explain the origins of the local housing boom in the 1960s and 1970s and possibly higher development land prices.

These questions will be discussed in Chapter 6, where the role of rent theory as an explanatory tool is considered, and in Chapter 7, where a fuller explanation for the empirical changes is provided. The next chapter turns to the remaining major economic sector, manufacturing industry.

CHAPTER 5

RESTRUCTURING AND ACCUMULATION: MANUFACTURING INDUSTRY

1 INTRODUCTION

In Chapters 3 and 4 we examined the restructuring of the agriculture and housebuilding industries in Britain and Glemsford, and the role of landed property in that process. We have already seen that the agricultural labour force declined after the 1860s. As this took place, manufacturing employment was to some extent replaced by agriculture. A further round of economic change has occurred during the 1960s, 1970s and 1980s as manufacturing jobs have been replaced by producer and consumer service employment. An additional feature of these changes has been the spatial shift in the location of manufacturing industry, away from its 'traditional' site in larger conurbations. This has been described as the changing spatial division of labour, a concept which captures not just the geographical distribution of economic activity, but also the relationship between different parts of the spatial economy. We return to a discussion of the spatial division of labour in Chapter 7. This chapter will examine the main features of changes to manufacturing industry, again with special reference to the role of land and landownership. As with the previous chapter, rent theory is not discussed directly, the emphasis being more on the description of the structural changes in manufacturing industry in Britain and Glemsford. The chapter also considers the changing structure of capital ownership and the links between 'landed' property and manufacturing

capital. We concentrate here on the textile industry, the dominant sector in the nineteenth century British economy, as well as in Glensford, and on the growth of 'rural manufacturing' in the period after 1945.

2 STRUCTURAL CHANGES IN MANUFACTURING INDUSTRY, 1840-1940

2.1 The manufacturing economy in the nineteenth century

To a significant degree, much of the wealth of Britain during the early 1800s was based on the processing of textiles. During the first decade of the nineteenth century the cotton industry became the largest in Britain, and its growth rate accelerated after the Napoleonic Wars. Between the 1820s and 1840s the net output of the cotton industry represented over 5 per cent of the British total (Deane and Cole 1967). Capital formation in the cotton industry increased in real terms from £22m to £109m, and real output from £11m to £58m in the period 1834 to 1886 (Blaug 1961). The silk industry, which was important in Glensford, also grew rapidly during the mid-nineteenth century. Although quantitative information is 'seriously incomplete', according to Deane and Cole (1967: 207), it is clear that the silk industry was never a major industry in Britain. Nonetheless, the removal of import restrictions did provide it with a boost, and from 1829 to 1863 average annual imports of raw silk (and by implication total output) roughly trebled. At its peak, in 1860, output was £17m per annum. By 1875 this had declined to £13m, and to £5.5m by 1907. Total employment in the silk industry grew from 80,000

in 1836 to 150,000 in 1860, before falling to 40,000 in 1907 (figures from Deane and Cole 1967). Indeed, employment in the silk and linen industries declined faster than any other sector between 1891 and 1911 (Pollard 1983).

The second half of the nineteenth century also saw a relative decline in the strength of the cotton industry, with decelerating growth rates, rising labour and input costs, and a growing dependence on overseas markets, making it vulnerable to sharp swings in demand. By 1907 its net output was less than half that of the coal industry, smaller than engineering, and less than 10 per cent greater than construction and brewing (Deane and Cole 1967; Pollard 1983). In addition, there was something of a shift in the orientation of jobs in the cotton industry during this period, with a gradual rise in the numbers employed in finishing - bleaching, dyeing, printing - rather than processing raw cotton. According to McIvor (1988), the total workforce in this sector rose from perhaps 35,000 in 1885 to 55,000 in 1914.

The early wealth of Suffolk was based on the textile industry - specifically wool - and by the late eighteenth century there were perhaps 5100 combers and spinners in the

county¹. As the industry declined, moving to Yorkshire and the West Country, there was a rapid increase in the level of poverty in Glensford. According to Glass (1962), the level of poor relief increased from £678 in 1772 (with a population of 2400) to £1102 in 1792 and £2229 in 1796, when the population was perhaps half that of 1772. On the other hand, this created suitable conditions for a new influx of capital investment. The combination of local pressure on poor rates (see Thompson 1968: 246; Hobsbawm and Rudé 1969), the need to re-employ redundant local weavers, and the Spitalfields Acts, which drove up the wages of London weavers, made Suffolk an attractive proposition for manufacturers in the London silk industry. As Glass (1962: 31) notes, the 'Eastern Counties in view of their nearness to London and of the decaying state of the woollen industry ... offered especially favourable conditions. The employers although paying only two thirds of the London rates were able to offer the Suffolk weaver better wages than could be

¹ During the Reformation, noted the *Victoria County History* (VCH 1908 Vol.3: 670): 'Nowhere in England were the forces of economic and social progress more active. If the future development of English industry and commerce had been revealed in general terms to one of the numerous political speculators of these times, and the local details left to his imagination, he would probably have placed Manchester and Lavenham, or Hadleigh and Liverpool at Ipswich'.

made in the woollen industry'². Sudbury, a few miles from Glensford, was chosen as the industrial headquarters of a number of Spitalfields firms. With considerable foresight, the parish officers of Glensford attempted to solve the chronic unemployment by attracting new capital to the area. In an early example of local authority 'pump-priming', they built a factory using church subscription funds and placed an advert in several London newspapers which stated³:

'To Silk Manufacturers

Any person desirous of an Establishment in the county may have an advantageous Situation in a Parish where there is nearly four hundred hands capable of being employed in the trade many of whom are good weavers. A large Manufactory recently erected for the purpose may be had free of every expence. Application to be made to the Parish Officers of Glensford, near Long Melford Suffolk. If by letter post paid. June 18th, 1821.'

The offer was taken up and over the years a thriving silk industry, controlled from Spitalfields, developed in the area, especially in Glensford, Sudbury and Haverhill. By the 1840s about 2000 workers were employed in the silk processing industry in Suffolk. Despite fluctuations in its fortunes, the industry has been present in Glensford ever

² Despite this investment in the textile industry, Suffolk remained heavily dominated by agriculture during the mid-nineteenth century. Lee (1981) has performed a factor analysis of employment change from 1841 to 1911, and Suffolk emerges from this as one of the most 'representative' regions for agricultural employment.

³ Glensford Census Returns, 1821.

since this date. Along with two other weaving industries⁴, horsehair and coconut fibre (coir), it dominated the parish's economy in the nineteenth century. The latter were introduced in 1844 and the 1860s, both as a response to changes to the supply of cheap labour. The horsehair industry used handloom weavers who had been displaced by machinery from other branches of the textile industry (since horsehair weaving could not, and still cannot be mechanised). The growth of coir processing (for matting) appears to have coincided with a decline in the regional silk industry, slightly late when compared to the national picture, after the mid-1870s (VCH 1908 Vol.2: 275). Although these three industries were all major employers in Glemsford, the way their labour processes were organised and their forms of ownership were quite different (see below).

The effects of this growth in the local weaving industries on the employment structure of Glemsford were substantial. The period between 1841 and 1851 saw a massive increase in total employment in the parish, so that two-thirds of the population was economically active by the end of the decade (see Tables 5.1 and 5.2). As the 1851 census noted, this was because of the establishment and consolidation of the

⁴ A fourth local weaving industry was 'straw plaiting', which peaked in south-west Suffolk during the mid-nineteenth century, but had collapsed by the late 1880s: over 2000 women were employed in 1871, 781 in 1881 and the industry had disappeared by 1891 (Deeks n.d.: 2). It was never a major employer in Glemsford, though, and the maximum number of workers recorded by the census was 38 in 1871.

horsehair and silk weaving industries (Glensford Census Book, 1851).

But more important for the social make-up of Glensford was the parallel decline of the traditional system of organisation in the weaving industry, the domestic out-working system, and its replacement by wage labour. This breakdown of traditional work practices in the parish can be seen in the 128 per cent increase in wage employment during this decade⁵. In the silk industry looms were originally lent to weavers, who were paid piecework rates (which in Suffolk were some two-thirds of those in London). The horsehair and coir industries were handloom rather than power loom industries, but this did not mean that workers were domestic home-based weavers. In all three weavers were collected together in factory units, although coir weaving was carried out in small units 'erected in the gardens of individuals where just one man worked, or a number up to maybe 20, all on piecework, for the bigger manufacturers' (Deeks n.d.: 7)⁶. Essentially, then, this period saw the consolidation of a long term process by which the artisan or journeyman-weaver, who possessed some degree of status

⁵ There is no category for 'wage employment' in the censuses of the nineteenth century. It was estimated for these purposes from the total number of persons in the enumerators' forms recorded as having factory occupations, together with the total number of workers attributed to the various employers.

⁶ Although the 1851 Census Enumeration Book mentions a William Clarke, 'superintendent in coconut matting factory with 50 hands'.

amongst the working class, was destroyed and replaced with the generic 'handloom weaver' (see Thompson 1968).

Not only was the break up of the traditional form of socio-economic organisation taking place at this time, but the structure of the workforce was also changing. The proportion of female employment in the factory labour force was rising and there was a growing use of child labour, although the latter never formed more than ten per cent of the factory workforce. Women were the dominant employees in the silk, horsehair and straw plaiting industries, although the coir weavers were generally male: according to Deeks (n.d.: 7), 'it required the strength of men'.

Finally, this period also saw the steady decline of the small independent producer and craftsman/artisan, in modern terminology, the 'self-employed'. This category fell from about a fifth of the workforce to less than ten per cent by 1881.

By examining the changing structure of Glemsford's labour force we can see that the population was becoming increasingly dominated by capitalist methods of production, employed in larger units of production - the traditional small scale independent producer was being squeezed out. In fact, by 1851 the economy was dominated by just two large employers: the silk mill with some 160 workers and H. Kollé and Sons' horsehair and coir factory, with some 200 employees. About half the total workforce was working in

these two factories, and by the mid-1870s Kollie⁷ employed about 700 workers and the silk mill 230 workers. Almost 80 per cent of the working population found employment in just three industries, the unusual blend of silk, horsehair and the newly-introduced coir weaving (there were several smaller factories engaged in this latter activity, as well as that of Kollie).

It can also be seen that the role of agriculture in the local labour force declined after the 1850s. Agriculture lost 8 per cent of its workers between 1851 and 1861, and a further 21 per cent in the following decade. Between 1841 and 1871, the proportion of agriculture workers in the labour force dropped from 40 to 12 per cent (Table 5.2).

* * *

We saw above how the textile industry had entered a phase of decline during the second half of the nineteenth century: by 1907 employment in the silk industry was less than a third of its peak level; measured by net output cotton had dropped to third place in the league table of manufacturing industries. Nevertheless, of the ten largest manufacturing firms in 1904, four were textile producers (and two were brewers). By 1938, however, only two of the top ten manufacturers were textile firms (and two were food and drink conglomerates) (Scott and Griff 1984).

⁷ *White's Directory of Suffolk* (1874). Apart from processing horsehair H. Kollie and Sons were the largest coconut processors in the village (Deeks n.d.: 7).

TABLE 5.1: CHANGE IN EMPLOYMENT AND POPULATION, 1841 TO 1881

per cent

	e.a.	wage	manu.	agri.	total
1841-51	+67.4	+128.3	+187.0	+2.5	+19.0
1851-61	+32.8	+56.6	+65.7	-8.3	+18.8
1861-71	+8.1	+15.3	+16.5	-20.7	+16.5
1871-81	-0.5	+5.1	+3.5	-5.4	+10.6

Notes:

e.a. = economically-active population

wage = wage labour (estimated from total number of persons recorded as having factory occupations and total number of workers attributed to various local employers)

manu = manufacturing labour

agri = agricultural labour, including farmers

total = total population

Source: Glemsford Census Enumeration Forms, various dates.

TABLE 5.2: SECTORAL CHANGES, PERCENTAGE OF ECONOMICALLY-ACTIVE POPULATION

date	pop	e.a.*	wage	agri	manu/ cons	serv.	self
1841	1366	37	44	40	27	3	21
1851	1626	52	61	24	47	8	11
1861	1932	58	71	17	59	6	13
1871	2251	54	76	12	64	10	9
1881	2490	48	80	12	66	8	9
1921	1442	49	n/k	19	54	20	16
1931	1261	59	65	22	47	25	9

Notes:

* economically active per cent of total population

serv = services

manu/cons = manufacturing and construction

self = self-employed (estimated from total of small crafts workers, other small producers, 'petit bourgeoisie')

Sources:

1841-1851: as for Table 5.1.

1921-1931: estimated from census returns for Glemsford UDC

One major growth sector during the early twentieth was the food processing industry. By 1880 canned food had become readily available, partly as a response to improvements in preservatives. Other important technological changes in the food industry included the widespread introduction of refrigeration, also by 1880; spray drying in 1920 (allowing the production of powdered foods); and the introduction of frozen foods in the 1930s. The canning of food increased rapidly during the inter-war period, with the consumption of canned vegetables rising from 24,000 tons per annum in 1920-22 to 193,000 tons per annum in 1937-38 (Pollard 1983).

Glemsford, though, appears to have benefited little from the development of the new industries in the inter-war years. In some ways, the parish's economy had reached a 'peak' by the 1870s, and there followed sixty years of decline until after the 1939-1945 war. Very much following the national pattern, employment in the silk industry fell after 1875, declining to between 80 and 100 workers in the 1930s. This was perhaps half the parish's total number of factory employees, although there were also a number of outworkers. The last small employers in the horsehair industry disappeared in the 1920s and 1930s (leaving one factory); and the coir industry collapsed, also during the

inter-war depression⁸.

One employer whose fortunes were inextricably married to those of the coir industry was E.W. Downs and Son, which had begun life as a blacksmith's shop in 1850, but had turned to the manufacture of specialised machinery for the coir industry in the 1870s⁹. Expansion continued until the collapse of the industry in the early 1900s. However, a change of ownership in 1920 brought new innovations in the design of equipment and after 1945 the firm found new export markets.

In general, though, the parish's manufacturing base was slowly eroded throughout the inter-war years. Although there were attempts to introduce flax milling¹⁰, this was unsuccessful, and by the 1930s the level of employment in manufacturing and construction had fallen to 47 per cent (from a peak of 66 per cent in 1881) (Table 5.2). By 1931 the population of the parish had dropped to half its maximum level of fifty years previously.

⁸ Between 1908 and 1937 there are a total of nine coir manufacturers listed in the *Kelly's Guide to Suffolk* (various dates), but by 1937 only three survived. Edward Downs, the village's small engineering firm, inadvertently contributed this by inventing a machine to make the weaving process easier. The design was taken up in various tropical under-developed countries, which took over coir processing thus causing Glemsford's decline in the international division of labour.

⁹ Interview with present owner; also *E.W. Downs and Son, 1850-1950. Makers of Farm Machinery* (n.d.).

¹⁰ Glemsford Parish, Miscellaneous Records (SRO).

2.2 The changing ownership of manufacturing capital

The characteristic form of competitive capitalism in the mid-nineteenth century was, according to Gray (1977), one of separately-owned fractions of capital, each comprising many competing rival capitals, with little concentration or centralisation. Industrial, commercial and banking fractions were thus quite distinct, and each fraction was one of family businesses and private partnerships with a distinctly localised basis. Landowners comprised a distinct group, with strongly articulated interests and cultural values at variance with other fractions. There was also a growing professional and intellectual section of the bourgeoisie, which played a major role in determining the ideological values of that class.

The business community was, however, by no means homogeneous, and there was a substantial section which 'belonged to the older and less radical commercial world' (eg. old established merchants, bankers, brewers) who 'felt a close affinity with the *rentier* and the landlord' (Perkin 1973: 181). These people were a conservative force (although they tended to support the Liberals) and were later to form a nucleus around which middle class conservatism could grow.

How did the restructuring of the British economy after the middle of the nineteenth century affect the ownership relations of manufacturing capital? First, as we have seen, by the mid-nineteenth century the economy was beginning to diversify (with textiles giving way to iron and coal) and

was becoming increasingly internationalised. The size of manufacturing firms was growing rapidly, and this meant that the characteristic Victorian capitalist - small-scale, family-oriented, locally-based - was slowly being undermined by a new type of 'business aristocracy' (Perkin 1969) based on the ownership of joint stock companies. Joint stock and limited companies stem from the 1844 Companies Act and subsequent amendments in 1856 and 1862 (Scott 1986; Scott and Griff 1984). As these developed, the manufacturing industry became increasingly concentrated at the enterprise, rather than plant, level. Concentration grew markedly in manufacturing, mining and distribution between 1885 and 1939 (Scott and Griff 1984).

During this period of restructuring, the relationship between manufacturing capital and landed property was evolving. One side effect of the growing size of manufacturing firms was that large corporate capitalists were increasingly able to buy landed estates *and* remain in business (rather than retire with their capital to the land)¹¹. The outcome was that in political terms large landed property, drawing a greater proportion of its income from non-agricultural sources - mines, docks, canals, railways, and urban development (Ward and Wilson 1971) - was 'more willing to meet the big businessmen halfway than they

¹¹ Although there is evidence that fewer landed estates were founded in the nineteenth century than in the previous century (Thompson 1963).

had been to meet the smaller and provincial entrepreneurs' (Perkin 1969: 435). Aristocratic - that is landed proprietors' - directorships of companies were multiplying (Thompson 1963).

Many of Gray's (1977) observations on the characteristic features of manufacturing and commercial capital in the mid- to late-nineteenth century are applicable as a description of the situation in Glensford, although the parish's manufacturing sector was predominantly *not* under local control. Of the four major industries¹² - horsehair, silk, coir and farming - silk and horsehair were controlled from London for most of the nineteenth century, although the coir industry was partly run by small local capitalists and farming was predominantly locally controlled. The silk mill appears to have been owned by a local industrialist, Alexander Duff¹³, until the late 1840s, but was then bought

¹² There was also a relatively large, but declining class of artisans and craftsmen, standing at approximately 13 per cent of the economically active population in 1841, and a 'petty bourgeoisie' comprising retailers, small producers, state employees etc., at about 8 per cent of the economically active population.

¹³ There are two silk mills recorded in the Tithe Register. The factory owned and built by the Parish in 1821 was rented to a Henry Twin. The second mill, built in 1824, was occupied by Duff, although there are no details of when he first arrived in Glensford.

by a London merchant, Henry Eaton¹⁴. Horsehair and the greater proportion of of the coir industry were, as noted above, owned by H. Kollé and Sons, which was a London-based company¹⁵. Between them Eaton and Kollé dominated the local economy, directly employing some 600 workers in the 1850s; and even though there were a number of local capitalists in the coir industry when it developed they were essentially tied to Kollé's factory which took most of their output.

Although the Parish of Glemsford retained ownership of its 'silk manufactory', renting it to a Henry Twin (surely they cannot have given the factory 'free of every expence' as described in the advertisement), Duff (and subsequently Eaton) owned their premises. It has not been possible to establish the ownership of the horsehair factory, the original parish-built silk mill, during the time it was run by Kollé. It is possible that this firm bought the premises from the parish, for it was certainly owner-occupied by 1910¹⁶.

To what extent did close links exist between landed property and manufacturing capital in Glemsford? Was there a

¹⁴ 'Ammendment'. Further information of Henry Eaton's property is available from the Death Duty Records (PRO: IR/26/6110), the 'Abstract of Title' to his property in the parish, which was offered for sale in 1887 (SRO: 821/1), and the 'sworn declaration of his manager as to the extent of his property' (SRO: 821/2).

¹⁵ Listed as 'H. Kollé of Edmonton' in the 1851 Census Enumeration Book. This point was verified in an interview with the present owner of the company.

¹⁶ IRLV.

clear flow of rents from landownership towards investment in local manufacturing industry? And was there a link between manufacturing profits and investment in landownership?

The only major relationship between landed property and manufacturing capital is the case of Alexander Duff's estate, which was built-up using profits from the local silk mill (see Chapter 3, footnote 9). This estate was sold in 1848 to Henry Eaton, a London 'silk broker'. It is impossible to be sure of Eaton's motives in purchasing the property. Perhaps he saw himself as a potential landed squire. As we have seen, during this period capitalists increasingly had sufficient wealth to buy landed property. Eaton even managed to pick up the estate at the knock-down price of £12,093¹⁷, probably because Duff was involved in a dispute with his bankers over unpaid interest charges¹⁸. A more likely explanation is that Eaton was merely an astute businessman with an eye for a bargain who could see the advantages of the Glemsford labour force, for he subsequently proved to be more interested in building (and owning) the parish's urban fabric (see Chapter 4) and his political career than in playing the part of the village squire. Eaton sold his estate in 1878, as the silk industry began to decline.

¹⁷ Duff appears to have remained relatively wealthy, though. His will shows that he died in Versailles in 1852, leaving £35,000. PRO: IR26/1928.

¹⁸ 'Abstract of Title'. SRO 821/1.

3 STRUCTURAL CHANGES IN MANUFACTURING AFTER 1945

3.1 The growth of 'rural' manufacturing

Since the end of the 1939-45 war, the British manufacturing industry has undergone three broad processes of change. First, in employment terms until the mid-1960s it saw a period of relative decline, although the total number of jobs was still growing. Since 1966, however, manufacturing jobs in Britain have been shed in increasing numbers, and the sector has declined absolutely. Second, output continued to grow relatively constantly up to 1970, albeit with periodic booms and slumps. The output index rose from 50 to 115 between 1948 and 1973, before collapsing in the 1970s. Third, these developments have had an important regional dimension. The fall in output during the 1970s and early 1980s was less than half the national average in East Anglia, the South East, and the South West, and a third of the rate in Wales, the West Midlands, and the North West (Massey 1988). In addition to this geographical differentiation in the level of manufacturing output, the location of jobs in this sector has shifted significantly: there has been a 'ruralisation' of manufacturing employment (Fothergill et al 1986; Massey and Meegan 1982; Healey and Ilberry 1985; Thrift 1987).

Because of its local importance for East Anglia and Glensford, we will examine this last trend in more detail. We saw in Chapter 3 how the agricultural workforce declined rapidly after the Second World War. By the late 1970s only eight counties had over 8 per cent of their workforce

directly engaged in farming. Although the statistics are not available at a level below the Standard Regions, even in East Anglia, where agriculture perhaps plays a greater economic role than elsewhere in Britain, less than 7 per cent of the regional GDP is derived from this source. East Anglia has lost some 60,000 employees from agriculture and horticulture since 1952, with the rate of decline being especially rapid during the 1960s (Table 5.3).

Throughout Britain there has been a substantial reorganisation of the geography of employment. The level of manufacturing employment in rural areas as a whole rose by 14.3 per cent between 1959 and 1975 (Table 5.3). East Anglia's *total* employment level grew by over 43 per cent between 1952 and 1979, and manufacturing employment almost doubled. Manufacturing employment, has grown by 78,000 and employment in the service industries by 150,000 (cf. Gould and Keeble 1984). Many are employed in agricultural-related industries: food, drink and tobacco, for example, accounts for over 6 per cent of East Anglia's workforce, a figure that has been growing since the mid-1970s. Throughout the 1970s and early 1980s this sector contributed about a quarter of the region's total manufacturing output. By 1982 the total gross value added from the East Anglian food, drink, and tobacco sector had reached £532m, about 6 per cent of the UK total. During the 1970s and early 1980s this sector was becoming increasingly productive. By 1982, real net output per employee in East

Anglia had risen faster than in any other region apart from the the North West, and was about 43 per cent higher than in 1971. This was to some extent the result of considerable labour shedding, with almost 3000 jobs being lost between 1979 and 1982. (All figures from *Regional Trends* various dates).

TABLE 5.3: PERCENTAGE EMPLOYMENT CHANGE BY REGION, 1952-1979

	total employment	manufacturing employment
East Anglia	43.5	70.3
South West	29.6	25.7
Northern Ireland	22.4	-27.5
East Midlands	21.0	11.4
South East	14.4	-9.9
Wales	10.0	17.5
North	9.4	7.8
West Midlands	8.3	-7.8
Yorkshire/Humberside	5.8	-13.7
Scotland	1.5	-18.4
North West	-5.2	-24.5
UK	10.6	-7.8

Source: Fothergill and Gudgin (1982) (adapted from various tables)

These dramatic shifts in the occupational structure of rural areas have, in the recent post-war period, taken place in conjunction with a rise in the rural manufacturing labour force and a rapid increase in the population of some rural areas (Tables 5.4 and 5.5). Population growth in East Anglia has been extremely rapid. The region's population increased by 35 per cent and in some districts the increase was as much as 56 per cent between 1961 and 1971. In the 1970s the whole of East Anglia was dominated by some of the fastest-

growing districts in Britain. The *Office of Population, Censuses and Surveys* (OPCS 1981: 2) reported in 1981 that:

'Although there is a continuous zone of growth in eastern England from North Yorkshire to Essex and other continuous zones in the South Midlands and the South West there is no simple spatial organisation in the country as a whole ... There is, rather, a repetition of two features across the country: first, the decline in the metropolitan areas and other cities, continuing as decline or relative stability in outer urban areas and, second, growth in more rural Districts, many of them remote from main centres of population'.

The broadly continuous growth of population in East Anglia as a whole masks a more varied picture at the local level. Generally, the region can be divided into a northern area of moderate population growth and a southern area of higher population growth, enclosing a 'core' of very rapid increase. Of the four fastest-growing districts, two (Breckland and Peterborough) contain centres of planned growth. Overall no rural districts in the region declined in population, and the only districts to suffer a loss were both older free-standing large towns (Cambridge and Ipswich). The rapid increase in population in recent years (the bulk of population growth was in the 1960s and 1970s) has therefore been unevenly spread across the region.

In Glensford, perhaps the most striking feature during the 1960s and 1970s was the rate of population and employment increase. The total population of Glensford grew slowly between 1932 and 1961 (from 1261 to 1365), but exploded in the following two decades, reaching 1898 in 1971 and 2410 in 1981. Not surprisingly there was a commensurate rise in the economically-active population, which grew by over 270

**TABLE 5.4: PERCENTAGE EMPLOYMENT CHANGE BY TYPE OF AREA,
1959-1975**

	total empl.	manu. empl.	manufacturing employment:		
			1959-66	1966-71	1971-75
London	-11.4	-37.8	-0.7	-3.6	-5.1
Conurbations	-4.7	-15.9	0.2	-1.7	-2.2
Freestanding cities(1)	12.5	4.8	1.7	-0.1	-1.3
Industrial towns (2)	22.0	16.3	2.8	-0.2	-0.5
County towns (3)	18.0	28.8	3.0	1.1	0.1
Rural areas (4)	14.3	77.2	6.0	1.9	3.5

Notes:

(1) Sub-regions dominated by medium-sized industrial cities (e.g. Coventry, Sheffield)

(2) Industrial areas comprising mainly smaller towns (e.g. north-east Lancashire, Welsh valleys)

(3) Rural areas containing at least one larger town and moderate amount of industry (e.g. Norfolk)

(4) Largely unindustrialised areas

Source: Fothergill and Gudgin (1982) (adapted from various tables)

TABLE 5.5: POPULATIONS CHANGE BY TYPE OF DISTRICT

	1961-1971	1971-1981
London	-6.8	-10.1
Metropolitan	0.5	-4.6
Large cities	-1.4	-5.1
Smaller cities	2.2	-3.2
Industrial districts A (1)	3.7	1.3
Industrial districts B (2)	12.1	5.0
New towns	21.8	15.1
Resorts and seaside retirement	12.2	4.9
Other A (3)	21.9	8.8
Other B (4)	22.1	6.7
Remoter, largely rural	9.7	10.3

Notes:

(1) Wales and the three northern regions

(2) Rest of England

(3) Other urban, mixed urban/rural, more accessible rural districts outside the South East

(4) As above, inside South East

Source: 1981 Census

between 1931 and 1971 (a 46 per cent growth) and about 277 during the 1970s (27.7 per cent). Since there was no significant change in the economic activity rate between these dates, this growth must represent 'new jobs', the bulk of which were created in the 1960s. In which sectors are these new jobs located? Table 5.6 provides a sectoral breakdown of the Glemsford workforce¹⁹, and shows that by the 1970s and early 1980s the economy was overwhelmingly dominated by 'manufacturing' and 'service' employment, with the proportion of construction workers varying from about 8 to 18 per cent.

TABLE 5.6: EMPLOYMENT BY SECTOR, 1921-1981

Sector	1921	1931	1971	1981
Manufacturing	47	35	43	51
Construction	7	12	18	8
Services	20	25	36	36
Agriculture	19	22	3	4

Note: figures are per cent of economically-active population
Sources:
1971 and 1981 figures: 10 per cent Small Area Statistics
1921 and 1931 figures: Census return for Glemsford UDC

How was the structure of employment changing in the 1960s? Tables 5.7 and 5.8 show the share of total employment gains or losses achieved by the major economic sectors of Glemsford. The years before 1971 seem to have been characterised by a major rise in manufacturing jobs and an

¹⁹ 1971 and 1981 figures: information from 10 per cent Small Area Statistics. 1921 and 1931 figures: census return for Glemsford UDC.

equally large rise in service sector employment. Most of the job losses, on the other hand, occurred in agriculture. The position in the 1970s, however, was radically different. Almost two-thirds of job gains were in manufacturing, with a much reduced increase in the service sector. (Agriculture must be treated with some suspicion because of the small size of the sample).

TABLE 5.7: CHANGE IN TYPE OF EMPLOYMENT, 1931-1971

Sector	jobs lost		jobs gained	
	no.	%	no.	%
Agriculture	101	68.7	-	-
Manufacturing	-	-	163	40.0
Construction	-	-	91	22.3
Services	-	-	154	37.7
Unclassified	46	31.3	-	-
Total	147	100.0	408	100.0

Source: derived from Table 5.6

TABLE 5.8: CHANGE IN TYPE OF EMPLOYMENT, 1971-1981

Sector	jobs lost		jobs gained	
	no.	%	no.	%
Agriculture	-	-	20	6.5
Manufacturing	-	-	200	64.5
Construction	70	100.0	-	-
Services	-	-	90	29.0
Total	70	100.0	310	100.0

Source: derived from Table 5.6

By the early 1980s the Glemsford workforce was therefore still largely employed in manufacturing industry, although employment in the service sectors was also significant. It is not possible to examine the proportion in each sector working *outside* the parish: although the census lists workers employed outside their district of residence, this is not at the required area level, and in any case boundary changes between 1971 and 1981 make this exercise impossible.

What is clear, however, is that the number of workers in *local*, i.e. within the parish, manufacturing establishments is relatively small. The three old-established employers E.W. Downs, the engineers, the silk mill and the horsehair factory, had about 65 employees in 1981 (approximately 11 per cent of the total manufacturing workforce) and 85 in 1983. The remaining 500 or so workers in the manufacturing sector are employed by a variety of local firms²⁰: CAV-Lucas in Sudbury, producing automotive products; Gainsborough-Cornard (fibres), also in Sudbury; Bush-Boake-Allen, owned by Tenneco, with a plant producing food flavourings and essences just outside the parish boundaries; Haverhill Meat Products (owned by J. Sainsbury) at Haverhill; and Cannon (rubber products), located in Glemsford.

By looking at the socio-economic status of the population we can gain a rough idea of the sort of jobs that were being created. In 1971, 29 per cent of the economically-active

²⁰ Interview with Babergh District Chief Planning Officer.

population was working in supervisory or skilled-manual work (SEGs 8 and 9), and almost half of these were in the manufacturing sector. By 1981, slightly fewer people were in such jobs, but the proportion in manufacturing had grown considerably. There was also a slight growth in semi-skilled manual jobs, up from about 17 per cent in 1971 to 18 per cent in 1981 (although these were somewhat less manufacturing-orientated). This increase in supervisory and skilled or semi-skilled jobs was matched by a large decline in the proportion of unskilled manual jobs from over 10 per cent to under 4 per cent. There were, however, distinct changes in the type of work in the manufacturing sector, which was increasingly non-manual. The 'intermediate non-manual' proportion of the total economically-active population (i.e. foremen/women or supervisors) remained more or less constant, but this masks a striking shift in its orientation. In 1971 about 21 per cent of this category was working in manufacturing industry, but by 1981 this had risen to 68 per cent. As can be seen from Table 5.9, it was not the case that manufacturing employment was distinctively female-orientated. Women cannot be said to form a 'new labour pool', especially when we take account of their traditional involvement in manufacturing in Glemsford.

TABLE 5.9: STRUCTURE OF EMPLOYMENT, 1981

Sector	Number	% of total in empl	Female empl as % of total
Agriculture	50	4.5	20.0
Energy/water	10	0.9	-
Manufacturing	570	51.4	36.8
Construction	90	8.1	-
Distribution/catering	160	14.4	31.3
Transport	30	2.7	-
Other services	200	18.0	60.0
Total	1110	100.0	35.1

Source: 1981 Census, Small Area Statistics

3.2 The changing ownership of manufacturing capital

In Section 2.2 we saw how the characteristic form of corporate ownership in mid-Victorian Britain, the family firm, began to change, following the legal creation of joint stock companies, the increase in the size of enterprises, and the growing concentration of capital. Along with this trend there was a growing fusion between landed and corporate capital. This fusion was maintained up to the early twentieth century, but as the scale of manufacturing enterprises continued to grow, the distinct role of land-based property declined. By the time of the 1914-18 war, agricultural land and other rural ground rents comprised only 34% of all real property, while urban property, building land and urban ground rents accounted for 66 per cent (Offer 1981).

The history of landed property after its so-called 'abdication' - i.e. after the inter-war years - is largely unwritten. By the 1930s the only distinct groups of large

scale property owners were the 'traditional' owners, such as the Church, Crown, City Livery Corporations, and Oxbridge colleges; and investors, claiming rents, various other property rights, and the development value of building land. Both these groups were becoming increasingly 'urban' in their orientation, particularly the traditional owners who saw declining agricultural land values for much of the early twentieth century. However, the important point is that landed property was essentially no longer a distinct or economically powerful force, and was no longer closely tied to manufacturing capital. Ward (1988) has characterised inter-war Britain as being dominated by three main elements: a highly concentrated and internationally-oriented banking capital; a relatively weak and fragmented industrial capital; and an emerging finance capital, which comprised very large and increasingly diversified conglomerates. The larger relics of landed capital, according to Ward (1988), were merging with banking capital, while smaller property owners were becoming increasingly weakened.

Since 1945, this picture has to some extent been reinforced. Apart from the relics of 'traditional' landed property, the only distinct form of property-based capital today is directly linked to large financial capital. This takes the form of specific property companies, developing and owning commercial and industrial property, and insurance and pension funds, investing in commercial and industrial development and agricultural land. These firms increased

their involvement in property ownership massively during the 1950s and 1960s. For example, the land and property holdings of insurance companies grew from £675m in 1961 to £2.9bn in 1973. This represents a 132 per cent growth in real terms. More spectacularly, public pension funds' investment in land and property rose almost sixfold in real terms over the same period (figures from Massey and Catalano 1978).

Institutional investment in land and property was given a boost after 1945 partly because of the growth of life assurance and partly by legal changes in 1955, which allowed pension funds to invest in property for the first time (Massey and Catalano 1978; Ambrose and Colenutt 1975).

Property companies have become increasingly dependent on financial institutions for funding, and insurance companies and pension funds are major shareholders in the property sector, although there are differences between financial institutions and property companies in terms of their economic position. Property companies have tended to be more dependent on rental income, while financial institutions have used land more as an asset base (Massey and Catalano 1978).

As for manufacturing capital, there have been three dominant features of ownership in the post war period. First, concentration at the level of the enterprise has continued. Between the 1930s and 1968, the share of output of the top 100 firms rose from 23 to 41 per cent (Aaronovitch et al 1981; Prais 1976). Second, there has been an emergence of large firms where there is no dominant

shareholding interest. Rather, ownership and control are achieved through a 'constellation of interest', as Scott (1986) puts it. Of the top 250 firms in Britain in 1976, 40% were controlled in this way, and only 15 per cent were wholly-owned companies. Scott argues that the traditional family firm has been largely replaced by a system of interlocked ownership, with companies linked in chains of control and impersonal possession. The third characteristic of post war capital is that technical change has become only one weapon in the competitive process. The ability to achieve economies through improved management of capital investment are also crucial. This has meant that holding companies (the 'constellation of interests') have developed to allow the optimum flow of capital between activities providing the maximum returns (Aaronovitch et al 1981). Increased merger activity, especially during the 1950s and 1960s, when mergers represented 28 per cent of total investment spending (Pollard 1983), has been one factor behind this reorganisation of the ownership characteristics of capital. These trends have, however, only been made possible because of the central role of the financial institutions in funding mergers and takeovers. According to Scott (1986), there has been a growing fusion between capital involved in the production of goods and services and capital which circulates through the credit system. Financial institutions lying at the centre of this fusion do not necessarily 'control' the operations of manufacturing and service enterprises, but are nevertheless extremely

influential.

We have seen that the bulk of the manufacturing workforce in Glemsford is employed in a number of local firms. Most of these, however, are linked to major national or international manufacturing or commercial enterprises. Bush-Boake-Allen, for example, is part of the US-based Tenneco group of petro-chemical companies. Haverhill Meat Products are owned by J. Sainsbury, and CAV-Lucas are a major national supplier of automotive products. None of these are locally-owned, and there is no relationship between local landed property and these manufacturing firms.

4 CONCLUSIONS

Chapter 5 has examined the changing structural conditions of manufacturing industry in Britain. In particular, at the 'aggregate' scale we have seen how the textile industry grew extensively during the period 1820-1870, before declining until the First World War. The silk industry peaked in 1860, and declined steadily after that date. New industries, such as food processing were established during the late nineteenth and early twentieth centuries. In Glemsford there was an early introduction of various textile and weaving industries - silk, coir and horsehair weaving - and changes in the parish's socio-economic structure occurred as these industries were consolidated. The weaving sector in Glemsford also declined after the 1870s, with the inter-war years seeing a particularly fast erosion of the parish's manufacturing base.

During the period under analysis the ownership of manufacturing capital shifted from individual family firms to joint stock companies. There was also a certain merging with landed property during the second half of the nineteenth century, before a distinct and visible form of landed property essentially disappeared in the inter-war years. In Glemsford the main corporate capitalist, the owner of the silk mill, built up a major local landed estate during the Victorian boom years.

Since 1945 there has been a 'ruralisation' of manufacturing industry, coupled with job shedding and a boom/slump cycle in output. East Anglia has seen a substantial rise in manufacturing employment since the 1950s, together with considerable population growth, an expansion that has also touched Glemsford. The parish's labour force remains predominantly manufacturing-based, with a growing proportion in supervisory or skilled manual jobs and a decline in unskilled employment. In terms of capital ownership, we can see a gradual fusion of 'traditional' larger landed property with banking capital, a weakening of smaller landed property, the growth of major corporations and finance capitals. Financial landownership has been important at times, taking the form of urban property development and ownership and the ownership of farmland. In Glemsford the local manufacturing industry is part of large corporate capital, with no links with local landed property. A number of questions remain unanswered:

(1) what were the reasons for the decline of the cotton and silk industries in the late nineteenth century, and did landed property play any part?

(2) why did the Glemsford textile industry decline, and what role did local landed property play?

(3) why has there been a ruralisation of manufacturing industry since 1945? Are manufacturing firms seeking differential locational advantages?

(4) what were the reasons for the growth of manufacturing employment in and around Glemsford?

We take these up in Chapters 6 and 7.

CHAPTER 6

UNDERSTANDING RESTRUCTURING: THEORIES OF RENT

1 INTRODUCTION

In Chapters 3, 4 and 5 we examined the economic and structural evolution of three major production sectors, agriculture, housebuilding and manufacturing industry. Particular emphasis has been placed on the changes to the production process and on their relations of ownership. This chapter will attempt to interpret these trends in the light of the theories of rent which were discussed in Chapter 2. The question under consideration is: how far can these theories explain the economic restructuring that has taken place in all these sectors?

It is, at this stage, necessary to reiterate the principal developments in agriculture, housebuilding and manufacturing that have been outlined. In the agricultural industry three significant changes have occurred over the last 150 years. There has been a growing intensification of farming techniques, as labour has been shed. This intensification has involved a rising use of agro-chemicals and machinery, and productivity, on the surface at least, has risen considerably. Along with this intensification, a second trend has been present: ever-closer links with non-farming industries at the input and output ends of the farm production process. Third, and parallel to these developments, agriculture in Britain has become increasingly

dominated by the owner-farmer, as the 'traditional' agricultural landowner has gradually disappeared from the social structure.

In the housebuilding industry we can also see a number of distinct trends. First, since the mid-nineteenth century the industry has been dominated by speculative housebuilding (despite a growth in public sector housebuilding after the last two world wars). However, during this period developers have shifted production from the private rented to the owner-occupier markets. Second, on the whole, the housebuilding industry has been characterised by relatively low productivity, as well as sharp fluctuations in output and prices.

Finally, in the manufacturing sector two dominant features have been the growing concentration of production in many sectors, and secondly the shifting geographical location of production, both within Britain and globally. A further important characteristic is the way the ownership of manufacturing capital has increasingly fused with financial capital, with investment in land forming, at times, a major strategy for accumulation.

One important feature of all these sectors has been the way output and prices have fluctuated in distinctive boom and slump cycles. We have seen that this was the case in agriculture, with its 'long depression' during the late nineteenth and early twentieth centuries, and periods of rising output and prices. The years since the Second World

War have been especially stable for agriculture. This pattern has also been the case in the housebuilding industry, with a long-term depression - falling production levels and prices - from the 1870s to the 1900s, and with sharply fluctuating output as the market became dominated by owner-occupation during the 1960s and 1970s. Much of manufacturing industry has also seen this pattern, although, of course, the diversity of the sector has meant that different industries have moved in different cycles. Nevertheless, the late nineteenth century was also a time of depression for manufacturing, while much of the post-1945 period was dominated by a 'long boom'.

In our case study area, we have seen that on the whole the pattern of production in these three sectors has been broadly similar to the national, 'aggregate' picture. There have, however, been some noticeable 'lags' and divergences from the norm, which remain to be explained.

In the next three sections we will examine the extent to which the theories of rent discussed in Chapter 2 can provide an adequate explanation for these trends in each production sector. Finally, in section 5, we evaluate the 'effectiveness' of rent theory as an explanatory tool, before highlighting some of the issues which remain unexplained.

2 AGRICULTURAL RESTRUCTURING AND RENT RELATIONS

2.1 The nineteenth and early twentieth centuries

In Chapter 2 we saw how the existence of landed property can pose a 'barrier' to accumulation in agriculture. It was argued that under certain circumstances, namely situations where landed property demands a rent payment on marginal land, a low organic composition of capital and reduced pace of technical change can result, along with limitations to the 'free-flow' of capital between sectors.

Sectors with high rates of surplus value (and hence low organic compositions) are more likely to be characterised by the extraction of absolute rent. This can only be the case *providing* there exists a powerful group of landowners who are able, by extracting rent on even the most marginal land, to prevent to free flow of capital which equalises profits. As noted in Chapter 2 Marx saw agriculture, with its slow rate of technical change, as a possible sector in which absolute rent could arise. Differential rent was argued to originate in the presence of spatial variations in fertility and in the composition of capital within agriculture (or any given sector). Since average production costs for the whole sector are determined on the worst, most marginal land, producers on 'better' quality land can accrue surplus profits. These may accrue to landowners in the form of differential rent, again providing such a social group exists. The question we need to ask, in order to assess the value of rent theory in explaining the changes that have taken place in agriculture, is the following: *to what extent*

have absolute and differential rent been features of agriculture in Britain since the development of a capitalist system of agricultural production? This entails an examination of the speed of technical change, productivity, rent levels - broadly, the social composition of capital.

Let us run through the principal features of nineteenth century agriculture again. By the middle of the century yields were rising, labour productivity was up, produce and land prices were fluctuating, before beginning their long decline after 1879. We also examined the changes in ownership relations in agriculture. Here, we saw that the landlord-tenant farmer structure was the backbone of farming during its 'golden years', but that landowners began to sell land in the late nineteenth century, and the owner-occupier farmer grew in importance during the early twentieth century.

The question we need to address is what was the relationship between prices, output, productivity, and land rents? Why did prices begin their long decline after 1880, along with rents and output levels? What was the role of landed property in these broad structural changes?

To what extent can rent theory illuminate this changing relationship between output, prices, productivity and land rents in nineteenth century agriculture? Because there is very limited financial and economic data on production costs

and the technical composition of capital in nineteenth century farming (see Chapter 3), it is difficult to use rent theory *directly* to explain the relations between these economic variables. Nevertheless, rent theory does provide us with a framework for understanding some of the key processes involved in the economic restructuring of nineteenth century farming.

By the time of the agricultural boom in the mid-nineteenth century the bulk of farming was carried out under capitalist relations of production. Although landed property was economically strong, it does not appear to have posed any major 'barriers' to accumulation within the industry. Technical change was occurring at a relatively rapid pace, with new fertilisers and machinery being applied, and labour being shed rapidly. Labour productivity was therefore increasing. In other words, the organic composition of agricultural capital was rising, such that there was a growing use of constant capital relative to variable capital. However, the price of agricultural produce and land rents were also rising at this time (Figure 3.1). This situation was discussed by Marx in Chapter 45 of *Capital*, Volume 3, when he argued that it was not contradictory for both the organic composition of agricultural capital *and* produce prices to rise together, providing the market price is greater than the value of the product and its price of production.

'Even though landed property can drive the price of agricultural products above their price of production, it does not depend on this, but rather on the general

state of the market, how far the market price rises above the price of production and towards the value, and to what extent, therefore, the surplus-value produced over and above the given average profit in agriculture is either transformed into rent or goes into the general equalization of surplus-value that settles the average profit' (Marx 1981: 889)

In other words, factors relating to the *market* for a product can be just as important in explaining the relationship between rents and production costs. This would appear to be the case in Britain at this time. The combination of rising output, rising prices, and a rising organic composition of capital was market-induced. But rent theory cannot tell us what these *specific* or *contingent* conditions were. What, for example, was the state of the market; what degree of economic protectionism existed; what was the political strength of landed property. The fact that landed property was not generally seen as a severe problem by the farmers at this time, despite the occasional plea for peasant proprietorship (Perkin 1973), implies that absolute rent was *not* a major barrier to accumulation in agriculture during its boom. These issues will be explored in the next chapter.

* * *

The fact that landed property was not generally seen as a major barrier to agricultural accumulation does not mean there were no local variations in the structure and impact of landed property. In Suffolk, for example, after improvement rents often doubled, reaching an average of 24s.

per acre by 1850¹.

We saw in Chapter 3 that ^{the ownership of} farmland in Suffolk was *relatively* dispersed, with a large group of owner-farmers. It is difficult to ascertain whether the structure of landownership was actually causing problems for accumulation, though. On the one hand we find Glyde telling us that:

'Feeling assured that great misconception prevails among the mercantile classes respecting the situation and circumstances of the owners of land, we have taken considerable pains to ascertain particulars as to ... the extent of each person's ownership. The result is, that the land is proved to be held in much smaller divisions than is generally supposed, and many of the owners are amongst the most industrious and economic of the community'. (Glyde 1856: 325)

On the other hand, the *perception* seems to have been that this seemingly dispersed pattern of landed property was problematic. Glyde also argues for greater security of tenure to ensure that the maximum capital investment that farming now required was forthcoming:

'The high system of farming which present times demand, require improvements to be made - a larger amount of capital to be expended on cultivating the soil; and a strong feeling has for some time existed among the more intelligent farmers of the county in favor of a more general system of "tenant right"' (Glyde 1856: 340).

He goes on to make the dire prediction that 'unless improvements are speedily made, the Suffolk farmer will have as much chance in competition as the stage coach has with

¹ Caird, qtd. by Glyde (1856). See also Chambers and Mingay (1966: 84) and Thompson (1963: 222-226). Between 1804 and 1850 the average rent on Suffolk agricultural land had increased threefold in real terms (estimated from Young 1804 and Glyde 1856).

the railway' (ibid: 340). Despite Glyde's fears for the state of Suffolk farming, though, it seems that the industry was still as competitive and capital-intensive as in other parts of Britain. Farms were substantially larger than in England and Wales as a whole and there were fewer small farms than average for East Anglia.

It is true that the local system of rental valuation was subject to considerable criticism - essentially incoming tenants received no compensation by way of rent reductions for reduced crops caused by the bad husbandry of the previous tenant (VCH 1908 Vol.2: 390) - but the general consensus was that relations between landlord and tenant were amicable, an indication of a relatively healthy agriculture. The *Victoria County History* describes the situation thus:

'(Before the Depression there were) clauses in the leases ... which protected the landlord at every conceivable point, but the tenant seldom made stringent terms for his own protection ... yet he lived on the best of terms with both agent and landlord' (VCH 1908 Vol.2: 388).

Even after the worst of the depression, at the turn of the century, the 'old-fashioned' four-course system, practised in Arthur Young's day, was still regarded as the best system for light and mixed soils (as at Glemsford) (ibid: 398). The fact that its success had weathered the introduction of new crops probably indicates the long-term competitiveness of Suffolk farming.

What were the special features of agriculture in Glemsford and how can we explain the pattern of agricultural change in

the parish? We have seen that the industry began to decline in economic importance during the 1870s. But there were also a number of local differences to the pattern of agricultural development in the parish. Firstly, there were relatively high levels of owner-occupation from the 1840s to the 1860s: there was little change in this feature until the end of the century. This makes it possible, therefore, that problems with tenancy agreements and rent payments did not generally rise. Secondly, while there were slightly growing levels of farm employment during the 1840s (up by 2.5 per cent), followed by substantial falls in the 1850s (8.3 per cent) and 1860s (20.7 per cent), there may have been a relative lack of mechanisation on at least some of Glemsford's farms, with several displaying higher levels of employment per acre than the regional norm.

Was this possible under-mechanisation of Glemsford farms an indication of a low organic composition of capital and therefore the existence of extensive absolute rent? Given that local rents were, if anything, somewhat lower compared to the regional average, it seems unlikely that local landed property was extracting a heavy absolute rent from Glemsford's farmers. To what extent did differential rent arise on the local farms, though? There were probably no distinct fertility differences between different farms in the area, so there was no basis for DR1. However, given the possibility of varying organic compositions of capital, DR2 may have been a feature. Without details of prices of

production, rents and the composition of capital on each farm it is, of course, impossible to tell whether this is the case. The reasons for an under-mechanisation must therefore remain unclear. Given the absence of data on rent levels it is probably more fruitful to look elsewhere for an explanation. In Chapter 7 we will see that this lies in the locally specific features of the labour market.

* * *

A detailed explanation of changing production relations in agriculture using concepts from rent theory is therefore not possible, either at a broad aggregate level or within our case study area. However, a further use of rent theory is to use concepts of rent and accumulation to examine sectoral flows of capital. Such an approach has been outlined by Murray (1977, 1978) (see Chapter 2).

One emerging trend in Britain from the 1840s to the 1860s, which was to play a part in the fundamental changes of the late nineteenth century, was the existence of a large volume of money-capital looking for suitable investments. British capital has historically shown a remarkable tendency to expand abroad during times of domestic crisis, and one such period followed the ending of the first phase of the industrial revolution during the 1830s. A voluminous literature now exists on global flows of capital during the nineteenth century². The general argument (see Hobsbawm 1969) is that manufacturing capital was faced with limited

² Pollard (1985) provides a detailed review.

markets, with the result that the large accumulations of capital left over from the boom years of the industrial revolution found its way abroad in the form of loans to the newly-formed Balkan nations and the US states. Most, however, flooded into the 'railway mania' of 1835-37 and 1845-47. Habbakuk (1962) argues that despite the introduction of limited corporate liability, passive investors tended to prefer investment in government bonds, and transport or housing. By the 1860s, though, when the railway boom had largely ended, attention was again shifting abroad, significantly to areas with hitherto unexploited primary and agricultural productive capacity. In three successive waves, Australia (1877-86), Argentina (1886-90) and Canada (after 1900) all saw a major influx of British capital (Pollard 1985), although other countries also experienced inward investment. This process was bolstered by other factors, including the growing stability of the banking system, which meant that the range of potential investment assets was growing, and the fact that manufacturing industry on the whole had sufficient funds of its own not to require outside capital (Habbakuk 1962). Between 1850 and 1913 there was a constant expansion of net overseas assets, rising from about 40 per cent to 180 per cent of nominal GDP (Matthews *et al* 1982). Estimates of British overseas holdings as a proportion of total British capital holdings range from 28 to 48 per cent (Pollard 1985).

Generally at this time there was a 'switching' of investment between British government bonds, and housing and transport on the one hand, and foreign investment on the other, depending on their relative attractiveness (Habbakuk 1962). However, the effect of this export of capital over the last few decades of the nineteenth century was to reduce costs in the recently settled primary production areas (Pollard 1985). New territories for agriculture and mineral extraction were opened up, aiding the eventual collapse in prices from the 1870s to 1890s (although bad harvests also played their part). This was catastrophic for certain sections of British agriculture, particularly the grain growers.

Murray (1978) has argued that this internationalisation represents an attempt by capital to resolve basic contradictory relations with landed property. This strategy for accumulation is seen as the result of a strong domestic landed interest which was partly to blame for the impoverishment of the population and the consequent diminishment of effective demand within the economy. More directly, landed property is seen to have slowed the restructuring of farming necessary for the improvement of competitiveness on the world market. At this time there was indeed an upsurge of anti-landowner criticism, focusing mainly on landowners' failure to invest in new production techniques. In this sense it could be held that landed property *had* produced an absolute rent because it *hindered the flow of capital between agriculture and other sectors*

and held down the agricultural organic composition of capital. The fact that the main movement of capital investment did not involve *domestic* agriculture may be indicative of such a barrier. It would appear that the transformation of landownership relations in arable farming during the late nineteenth century, and in particular the growth of owner-occupation on smaller holdings, was therefore one means of overcoming the effects of the depression for farming capital. The changes in the type of production from cereal to livestock were also important. It is also possible to see the expansion of capital abroad as the response of *non-agricultural* capital to the (indirect) problems of landownership within the domestic economy, as Murray (1978) indicates. The main source of investment abroad was from private investors who were not satisfied with the range and quality of domestic investment opportunities. The extent to which the limited range of investments were due to a lack of agricultural investment opportunities, though, is unclear. It would appear to be premature, therefore, to suggest that the mechanism underlying the growth of owner-occupation of farmland in the early twentieth century was solely an attempt by farming capital to overcome a barrier to investment and accumulation posed by landed property, as in Murray's thesis.

2.2 Restructuring after 1945

Since 1945, agricultural production has undergone something of a revolution. Output has risen substantially, along with

labour productivity, produce prices and land prices (Figure 3.7). Landownership has become predominantly owner-occupied, thereby removing the immediate 'barrier' of landed property to agricultural investment and accumulation. So how can we explain the seeming contradiction of rising prices, a rising organic composition of capital, and rising land prices?

During the post-war period, and especially since the 1960s, a paradoxical situation seems to have emerged. Whilst the competitive imperative and the rising cost of land has impelled farmers to further increase productivity through continued intensification of production, the *demand* for land has also been driven up. Because of its various 'natural' characteristics, there are limits to capital's ability to subordinate the role of land in farming (Goodman and Redclift 1985). Goodman and Redclift argue that the current limits of this subordination are represented by the fact that farms, and land as the material base of production, remain in existence. Land is still the major capital input in the production process and farms generally have to expand in size in order to raise their productive capacity. And given the high level of expenditure on capital equipment and agro-chemicals, the greater the investment on the land, the greater has been the demand for land.

Clearly the existence of a private land market means that 'rent' (or capitalised rent as a price) is payable on all land, including that in the most marginal locations. But the high organic composition in agriculture capital today - the

very low ratio of variable to constant capital - implies that the equalisation of profits has not been slowed by the existence of an absolute rent. If this is the case, it follows that the rise in agricultural prices is not related to the existence of a rent. Recall that Marx saw absolute rent as a 'special case' whereby landed property creates rent rather than appropriating surplus value from the total mass of surplus value. Under these circumstances rent is held to be the cause of increasing product prices (see Chapter 2). While it is true that land prices have risen considerably, the effect of this on the agricultural production process is less clear. Broadly, the burden of absolute rent, to use the term loosely, has now been transformed into interest payable to banks. Bank borrowing by farmers in 1975 was £1bn. By 1983 this had reached £5.3bn., a real increase of about 100 per cent (*Financial Times* 16/4/84). Interest on bank loans stood at around 5-6 per cent of total input expenditure during the early 1980s, but actual spending has grown fivefold in real terms since the mid-1950s (Barlow 1988). It is also the case that even though the size of farms has been increasing continuously over the period in question the farming community has not suffered from increasingly burdensome debts. In fact, the actual level of indebtedness in British agriculture has tended to decrease and the real rate of mortgage interest was negative in many years.

To some extent any effects of rising interest and rent payments may have been dampened because in recent years

there has been a tendency for the largest farms to be acquired by specialist land management companies, with the aim of combining the profits of farming with capital gains from appreciating land values (Whatmore 1983). In other words, because of changes in the desirability of different equities, banking capital itself is playing a greater part in the direct control of agricultural capital.

Another factor is the strength of the owner-occupied family farm, which lies at the heart of the British farming system. This is important because owner-occupiers tend to be in a much better borrowing position than tenants since their equity is high and their main asset, land, has appreciated rapidly in the past. In the mid-1970s the liabilities to assets ratio for wholly-owned farms was 9.7 per cent and for wholly-rented farms 15.3 per cent (MAFF 1978). The debt-equity ratio (at 12 per cent) for all farms was unchanged between the mid-1970s and early 1980s because of the increased land prices (*Financial Times* 16/4/84).

It is clear, though, that there are differences within the farming industry in relation to the effects of rising land prices and general indebtedness. The small-scale farmer and the livestock farmer, in particular, have seen their profitability steadily falling as the minimum economic farm size has risen. Between 1968 and 1975, for example, almost 50,000 holdings of under 100 acres were lost in England and Wales, together with another 4900 of between 100 and 300 acres.

While absolute rent is not necessarily as major feature of post-war agriculture in Britain, differential rent must exist, though. Spatial fertility differences, as well as variations in the intensity of farming on lands with similar fertility (for example following the introduction of new production techniques), mean that DR1 and DR2 will be present, transformed again into land prices and bank interest.

* * *

Glemsford farmers have been faced by all these trends. As the farmer with the largest single holding in the parish put it, 'Your profit margin is determined by the profitability of the whole industry. You have to maintain productivity to survive'. Expansion was therefore seen as a prerequisite for survival in the market and the maintenance of 'living standards'. Several farmers saw the minimum size of operation to support a family as around 200 to 250 acres³. At least six of the farmers were actively trying to expand or were considering expansion. One wished to expand, if possible, at a rate of 20 acres per year, simply 'to use the new equipment', up to a maximum size of 2000 acres. Another holding, consisting of a farmer and two sons (70 acres owned and 560 rented), saw their optimum size at about 500 owner-occupied acres. A smaller mother-son farm with 244 owner-

³ Although their estimates of how this has changed in recent decades has varied wildly. One claimed to remember an NFU estimate that a farmer 'could run a Bentley' with 100 acres twenty years ago, whilst another believed the same acreage would only support 'one man' at the same date.

occupied acres believed the minimum size for an arable farm was 400 acres, given the current technology. Two farms had recently bought land. On the other hand, the survey's largest farmer (almost 200 acres owned and 1100 rented) stated that there was 'no efficient size. It depends on the individual's abilities'. He would not consider expanding at current land prices, though. This sentiment was echoed by a farmer who had recently taken on the job of managing his absentee neighbour's holding to make optimum use of his own equipment. This man argued that it was very difficult to justify buying land today, as it 'cuts disposable income'. It seems clear, then, that these changes in technology have been leading to a growing 'land hunger' in the area.

We saw in Chapter 3 how prices realised on farmland sales in Glemsford during the 1970s have tended to be below the regional average, but rents were considerably above average. Appendix 3 shows the input and output figures for a 'typical' Glemsford arable farm. This would appear to indicate that the technical composition of capital for Glemsford's farmers is probably no different from the social average. In other words, much of the pattern of agricultural change in the parish lies in the aggregate picture of change, with local farmers being subject to the parameters of the market. Nevertheless, it is not possible to determine through rent theory why the price of owner-occupier farmland in the 1970s was below average while rents were noticeably higher. We will return to this question in the next chapter.

* * *

We have discussed the relationship between rent, landownership and production costs and product prices. One explanation for the rise in land and agricultural prices after 1945 has been put forward. However, neither the price fluctuations during the growth years, nor the restructuring of agriculture during the nineteenth century can be solely explained by marxian concepts of rent. Equally, the persistent price rises in the post-1945 period need a more detailed analysis. In Glemsford, specific differences between the local and aggregate, 'national' picture during the last century require further explanation, even though the parameters of contemporary agricultural change appear to be set by the wider picture.

The picture of accumulation in agriculture is clearly complex. The industry has many branches, each with quite different conditions of production - in Britain these range from the highly capital-intensive arable producer to the small crofter with a few sheep. Both are faced with totally different relations of production. The circumstances under which production occurs vary, and vary quite considerably. Fine (1980: 329) is therefore correct in arguing that

'There is no law at all. At times, price of production will correspond to the total application of capital to the worst land, at other times will correspond to the productivity of additional units of investment'.

If the price of production on the worst land determines market value, rising product prices implies that the margin of production is shifting continuously or that some

alternative mechanism is holding up prices. In this instance, for an explanation we need to turn to both. State intervention to maintain market prices and Britain's entry into the EC and the resulting extension of the agricultural margin are key factors behind an explanation. This will be dealt with in the next chapter, where a more detailed political economy of agriculture is developed.

3 HOUSEBUILDING AND RENT RELATIONS

3.1 The rise and fall of private rental housebuilding

In Chapter 4 we examined the way the nineteenth century housebuilding industry saw two major boom/slump cycles, with output peaking in 1876 and the early 1900s (see Figure 4.1). It was also argued that a relationship existed between housing rents, productivity and building costs: rents tended to rise continuously because landlords were unwilling to reduce rents at times of over-supply; periods of shortage led to rapid rent increases. Because there was no real improvement in productivity, building costs generally oscillated around the building cycle. We also discussed the organisation of production in the late nineteenth century and, in particular, the relationship between landed property, developers, and builders. Two questions remained unanswered: why did private renting decline after 1900 and what was the mechanism behind the boom and slump cycles?

In order to tackle these questions it is first necessary to consider the relationship between rising housing rents, land prices, building costs, productivity and output. As we noted

in Chapter 2, the role of absolute rent in the 'urban setting' - i.e. in the context of the production of the built environment - is controversial. There is disagreement over the precise relationship between productivity, land rent and the organic composition of capital in the housebuilding industry. The fact that AR can theoretically exist only in sectors with a low ratio of variable to constant capital and where landed property can prevent the equalising flow of capital, has been seen as an explanation for the relative 'backwardness' of the housebuilding industry: its low productivity and the fact that the price of its product - housing - fails to decline over the long term (cf. Dickens *et al* 1985; Lipietz 1974; Ball 1978, 1983). The problem with this argument is its tautology: AR is seen as both a cause *and* an effect of the low organic composition of capital and the low productivity of the industry. It is argued that house prices do not fall in the long term because of this low productivity.

So how far can rent theory actually take us in explaining the pattern of nineteenth housebuilding? Three questions remained unanswered from Chapter 4: did the nature of landed property act as a 'barrier' to prevent the flow of capital between housebuilding and other sectors, thereby hindering technical improvement and reducing productivity; what were the causes of the housebuilding cycle; and why did private renting decline in the early twentieth century?

What effect did landed property have on housebuilding

productivity? Some authors are very clear about the effects of AR on the nineteenth housebuilding industry. Ive (1981:

3) notes that

'the processes of concentration and centralization of capital (in housebuilding) were offset ... by three main factors: (1) land and landownership as a barrier to accumulation; (2) the contracting form; (3) distance costs, the geographical restriction of the market and ... the consequent limitation upon the development of the division of labour.'

This had clear effects on the nature of accumulation in the industry. In particular:

'(a) individual accumulation by contractors proceeded from a very small capital base; (b) capital centralized via the banking system flowed mainly into land and property ownership, or lending against these securities, rather than into construction as such; (c) a large part of working capital was supplied by building owners (government, industrial/commercial capitalists), building societies and banks, or builders' merchants, rather than by the building firms as such.' (Ive 1981: 3).

Under these circumstances accumulation relied not on productivity growth, but almost exclusively on the 'quantitative reproduction of the total capital of the sector on a (rapidly) expanded scale, principally by the emergence of new firms' (ibid: 3; cf. Ball 1978). For the builder/developer it was therefore necessary to speed up the circulation of capital. This was the force behind the growth of the housing landlord, who acted as commercial capital for the housebuilders. Rent was the means by which the commodity 'housing' could be converted into money (see Ball 1981; Kemp 1984; Allen 1983). This corresponds to the fifth form of housing developed, described in Chapter 2, i.e. a situation whereby landed estates are developed for housing which is owned by a fragmented class of landlords.

In many ways this is an appealing picture of the economics of housing development in the mid- to late-nineteenth century. It was true, as we saw in Chapter 4, that productivity grew relatively slowly and rents rose steadily. In addition landed property was generally more concerned with long term returns than housing development, with the result that restrictive covenants were often imposed on developers. Gauldie (1974) notes how rising land prices in rapidly expanding towns were often the result of the local specificities of the land market: for example, speculative withholding of prime sites; the retention by town councils of land until it could be developed for the most profitable use; or restrictions on the construction of working class housing to maintain the site value. The *local* nature of landed property was therefore a key determinant of the local character of housing development. This also implies, though, that the effect of landed property on preventing the flow of capital into housebuilding and thereby reducing the productivity *cannot be predetermined*.

In Glemsford we have seen that three principal agents were involved in housing development: local farmers, small manufacturers, and the owner of the silk mill. We have also seen how there was a proliferation of small housing landlords during the late nineteenth century. The bulk of land for housing development appears to have been bought on a piecemeal basis, rather than in large blocks, but unfortunately no further details – in particular details on

land and construction costs - are available. However, we can speculate that since in many cases landowners were the housing developers, the problems caused by withholding land or imposition of restrictive covenants may not have arisen. On the other hand, we cannot determine how productive the local housebuilding industry was in relation to the national average, nor can we say anything about housing rents.

It is possible that there was some competition for land in Glemsford, though. The period of most rapid growth in the housing stock - the 1850s and 1860s (see Table 4.1) - coincided with the fastest rise in agricultural land rents (Figure 3.6). This combination of rising levels of housebuilding and a boom in agricultural rents *may* have affected land supply to the housebuilding industry (hence the piecemeal nature of urban development). This in turn may have raised housing rent levels.

In general, though, it seems clear that rent theory can only provide a partial explanation for the long term rise in housing rents in nineteenth century Britain. If there had been a long term fall in productivity and rising costs we might have expected a long term rise in rents. But productivity *did* rise slightly during the late nineteenth century: Ball (1978) cites a figure of 17 per cent between 1850 and 1910. Building costs fluctuated with the construction cycle. It is more important, therefore, to consider the nature of the housing market during this period to gain a fuller picture. Chapter 7 will return to this

issue in more detail.

* * *

The second question we need to tackle relates to the reasons for the boom/slump cycle in output. Again, rent theory point us *some* of the way towards an explanation: the existence of landed property 'blocking' the free flow of capital into and out of the housebuilding industry may provide clues towards an understanding of the patterns of capital investment.

There is a considerable literature on investment flows and housing development (just as a similar literature exists on investment flows and agriculture). Two important authors in this debate are Habbakuk (1962) and Saul (1962)⁴, and more recently Harvey (1978) has taken up and adapted this work.

Broadly, the argument is that 'external' factors - the global trade cycle - played a relatively limited part in flows of investment into and out of housing development in Britain during this period. Habbakuk (1962) argues that the growing stability of the banking system after the 1850s meant that there was an increase in the range of potential investment assets. However, because the market was essentially unhomogenous and imperfect, and it was hard to adjust mortgage terms whenever supplies of more attractive foreign bonds became available, the domestic mortgage market was unstable. Investors tended to be fickle and prone to

⁴ Following the writings of Cooney (1949), Cairncross (1953), and Thomas (1954).

irrational behaviour, with the result that capital flows were often in a 'bunched' and 'wave' form (Pollard 1985). This meant that the power of the building industry to compete for investment during periods of economic boom was reduced. Conversely, its position was *improved* during depressions. Indeed, pressure for liquidity was no longer exerted on bonds and mortgages, but on short term securities. Even though the downturn in the trade cycle began in 1873, investment in domestic mortgages remained important until 1876 (corresponding with the first Victorian housing boom) (Habbakuk 1962). The rise in housebuilding activity before 1876 can be explained by the fact that the trade cycle upswing did not end with financial panic (as was the case with previous booms), and industrial activity remained high after 1873. The ending of investment abroad, as the trade cycle peaked, meant that rentier savings were diverted *back* to the domestic market, and especially into housing.

It is not possible to determine exactly how sensitive the flow of funds into and out of the British housing market was during the mid- to late-nineteenth century, for it is clear that there were a number of different types of investor, each with different strategies and attitudes (Habbakuk 1962; Pollard 1985). However, there is a likelihood that at least some of the demand for foreign investment was at the expense of the domestic building industry. Both Habbakuk and Saul, however, stress that the role of investment 'switching'

between markets was probably *less* significant than housing market factors such as population migration. We will investigate the role of the housing market in Chapter 7.

It is possible that one factor behind Glemsford's housing 'boom' - which had almost certainly ceased by 1880 - was the flow of capital from the thriving manufacturing sector into housing development. We saw in Chapter 5 that the silk industry in Britain had already peaked by the 1860s and its long term decline had become established. In Glemsford, it is possible that profits from the silk mill were being recycled into housing development in the 1860s, boosting housebuilding levels. But it is equally feasible that the building boom may have been a case of speculative development as a response to increased housing demand from the local workforce. Chapter 7 will explore this issue further.

The second housebuilding boom at the turn of the century may also have been partly stimulated by capital flows. It has been argued that the foreign demand for investment capital during the 1880s was probably at least *partly* at the expense of housebuilding (Habbakuk 1962). Certainly in the case of Glemsford the main developer, Henry Eaton, was involved in foreign investment, for he owned a large estate in New Orleans, worth over £23,000 on his death⁵. According to Habbakuk only a small proportion of the rise in aggregate

⁵ PRO: IR 26/6110. He was also a Conservative MP for Coventry from 1865, and a peer from 1887.

national income during this period can be explained by rising domestic income. The bulk appears to originate in capital 'switching' because it is clear that the rise in foreign investment and decline in housing investment are of the same order of magnitude. It will be recalled from Chapter 3 that this period was one of intense foreign investment activity, especially in Australasia and South America, as low domestic interest rates caused rentiers to seek better returns abroad.

* * *

A third major issue is why private renting declined after the early twentieth century. We have already argued that investment capital turned away from housing after the boom ended in 1903. Housing completions plummeted from around 150,000 per annum to 30,000 before the start of the First World War (see Figure 4.1). Ball (1981) disputes the notion that private renting started to decline solely because other sources of investment emerged. He argues that while it is true that potential housebuilding capital was diverted into other sectors, this was not because returns on *existing* housing investments were low. More important was the fact that construction and land costs were rising faster than feasible rent levels.

It was true that rents increased sharply during the early stages of the housebuilding boom (Figure 4.2), although to some extent this may have been the result of shifts in the market for which developers were building (Gauldie 1974). It

is also clear that land prices also rose initially. Building costs, on the other hand, remained relatively stable (Figure 4.5). This implies that any growth in developers' gross development profits – the sales price less construction costs – was negated by the rise in land prices. After 1900 or so there was a sharp fall, with slight rise from 1905–1910, before a steady decline. Building costs stabilised at this time. Since rents were stable or declining, there was no real growth in profits. Ball (1981) is therefore correct in his argument that returns from investment in the *existing* housing stock could remain high while investment in *new* development was unprofitable. Gauldie (1974) argues that the market for more expensive housing in particular was affected by this profit-squeeze. Offer (1981) has estimated that in the early 1900s, when owner-occupation was still rare, there must have been over a million of these small proprietors, owning seven or eight units each⁶. Of these, the 'more disreputable section of entrepreneurs was left to provide housing for the masses', frequently operating on very small profit margins (Offer 1981: 121).

In Glemsford, as we have seen, the local economy and population level declined after the 1880s. Little new housing was being built and overcrowding, measured by the

⁶ According to Offer (1981: 119), '... urban property was held, for the most part, in small parcels by a multitude of small and medium-scale owners. This house-owning multitude (between, say, one-seventh and one-tenth of all households) let out their properties at rack-rent, or occupied their shops, dwellings, work-shops and factories'.

number of households per dwelling, grew until the 1891 census. After this date, however, it appears that pressure on the housing stock was reduced by the fall in population, and there was no demand for extensive new development. On the other hand, there was certainly no *disinvestment* by housing landlords at this time.

3.2 The inter-war building boom

After the end of the First World War, private sector housing completions rose rapidly and by the mid-1930s had peaked at a level which was twice that of the 1903 level. There was also a steady increase in the level of local authority housebuilding (see Figure 4.4). Reflected in these movements was a shift in tenure towards owner-occupation and local authority renting. Glemsford was untouched by these trends and no new housing appears to have been built until after the Second World War, presumably because of a lack of demand. But how can we explain the causes of the inter-war building boom in Britain as a whole? The question we need to address at this stage is how the relationship between landed property, building and land costs, and house prices was involved in the private sector construction boom. What role did changing levels of profitability play in boosting construction levels?

We saw in Chapter 4 that there was rapid inflation in building costs during and immediately after the First World War, followed by a slump in 1920-33, then a renewed bout of inflation. Land prices also fell during the 1920s, before

rising in the 1930s. So during the 1920s there was a combination of declining land prices and building costs at a time of rapidly increasing output. House prices were relatively stable at this time. Developers were therefore making very high gross profits (cf. Ball 1983), with the result that in the 1920s housebuilding was attracting considerable new investment capital. Private sector output faltered between 1929 and 1933 before a renewed boom (see Figure 4.4). During the 1930s building costs were falling while land costs and house prices were rising. In other words, gross development profitability remained high, but was being cut into by land price inflation. Nevertheless, the high levels of profitability would have stimulated investment in housing development.

Why did house prices tend to rise in the 1930s, despite massive levels of housebuilding? One possible factor was a lack of productivity growth, because of the existence of extensive absolute rent. To what extent did landed property hold back improvements in productivity? As we noted in Chapter 4, this was a time of slight improvements to construction productivity as new building materials came into use. While it is true that in many areas of rapid growth there was a tier of land speculators between landowner and developer, it was also the case that developers were growing in size and financial strength, allowing them to restrict the monopoly power of landowners and hold down inflationary tendencies in land prices. Additionally, farmers were in an extremely weak position

(Chapter 3) and were often willing to sell at low prices. So while the rise in productivity was limited, a lack of monopoly power by landowners (and a lack of land use planning) restricted absolute rent. This implies that the rise in house price during the 1930s, which was discussed in Chapter 4, cannot wholly be explained by changing input costs. Other factors must have been involved, and in the next chapter it will be shown that changes in the market for owner-occupier housing were of greater significance.

3.3 Housing development after 1945

Until the mid- late-1960s house prices, land prices, building costs and output all rose steadily, but without a distinctive boom/slump pattern (see Chapter 4). However, after 1970 the pattern of price inflation changed radically, with two major inflationary/deflationary cycles between 1970 and 1980. During the post-1945 period the level of owner-occupation has grown inexorably to form the major tenure by the early 1970s. State - largely local authority - housebuilding formed the bulk of new construction during the 1940s and 1950s, but this feat has never been repeated. By the early 1960s, the bulk of new output was by speculative developers for sale (see Figure 4.6). However, while the output of private sector developers has risen substantially, it is thought that productivity has remained relatively static. The question at this stage is therefore whether we can link together these trends in any way, and whether rent theory can illuminate the relationship.

Since 1945 the state has played a crucial part in private sector housing production in terms of its role in the allocation of development rights through the planning system. Under these circumstances, what form does the rent relationship take? Given the continuance of private landownership, landowners will clearly still demand a price for all land: absolute rent therefore remains a potentially important feature. However, state intervention via the allocation of planning permission will restrict landed property's ability to realise absolute rent. This will depend on the nature of local control over the planning system. What does this mean for the speculative development industry? The argument has been made that the existence of a private land market and the ability to make profits from trading in land and obtaining planning permission has allowed developers to remain profitable without necessarily building housing. This point was originally made by Colclough (1965), who argues that the rise in productivity has remained low because land dealing profits were possible. Low productivity growth has in turn prevented the fall in new house prices.

The slow growth in productivity does not, however, appear to have led to reduced profitability in this sector. Even during the slump in production throughout the mid-1970s, profitability of the housebuilding sector was generally maintained at relatively high levels. Ive (1981:8) writes:

'The profitability of speculative builders, after reaching very high levels in the early '70s, collapsed

suddenly and completely in 1974 with the ending of the house price boom, the slump in land prices and rising interest rates. From 1975, however, speculative house builders have recovered, with returns on capital employed reaching over 16 per cent on average in 1979.'

At least some of this recovery would seem to be the result of the ownership of development land, for after a collapse in land prices during 1973-75 the average price of development land rose substantially (see Figure 4.7). High land prices are *potentially*, but not inevitably, problematic for developers: the high cost of purchase, especially at times of high rates of interest, means a rapid turnover of sites is necessary. For firms with large pre-existing landbanks, though, profits from land development and trading can be very important. It is likely that a significant proportion of housebuilders' profit originated in this way during the 1970s. 'Landbanking' was an increasingly common feature of the industry at this time: by the early 1970s only 24 housebuilders, none of which was individually larger than 3 per cent of the market, held a total land-bank with outline planning permission for about 170,000 houses (Massey and Catalano 1978; also see Smyth 1985b). It was estimated in the mid-1970s that approximately two-fifths of the capital required to finance a private dwelling was needed to finance landbanks (HMSO 1980: Appendix 2).

In Glemsford it is possible that developers were faced with very considerable land price inflation during the mid- to late-1970s. In Chapter 4 it was noted that development land prices may have increased by 45 per cent in real terms at a

time of static regional prices. By the early 1980s it is possible that a shortage of development land existed in the parish, following considerable speculative development during the late 1970s. Barratt Developments, for example, was advertising locally for land at that time. On the other hand, house prices appear to have been slightly lower than the regional average. This implies that specific local circumstances were influencing the price of development land: either there was a lack of land being released through the planning system or landowners were holding out for higher prices (or there was some combination of the two possibilities). The combination of lower than average house prices and high land prices also implies that developers' housebuilding profits, although not necessarily land development profits, were reduced. The establishment of a land bank bought when land costs were relatively cheap would have been crucial in maintaining overall profit levels. We have already noted how there was a certain amount of inter-firm land trading, so it may well have been the case that land development profits were a significant element in overall profitability.

* * *

High land prices have thus had two major effects. First, they have meant that land banking and trading have been crucial for maintaining profit levels in the housebuilding industry. Second, they have limited the increase in housebuilding productivity. This has meant that the price of new housing has not fallen. The existence of landed property

- and absolute rent - has not necessarily been problematic for the industry, though. While landowners have been able to appropriate a portion of the surplus, one response of the industry has been to *merge* landownership and construction roles into a single entity, the second type of housing development system noted in Chapter 2. This allows developers to appropriate the development gains arising from landownership for themselves. The existence of absolute rent can therefore help to explain why productivity growth has been limited, yet profits have remained high.

Why are land prices so high, though? In particular, what is the relationship between house prices and land prices? Ball (1983) concludes that the change in the price of land in Britain tends to be dependent on the change in gross development profitability (house prices minus construction costs): land prices changes tend to follow changes in gross development profitability, implying that developers tend to buy more land when their profits rise. The fact that the land price element has not risen as a proportion of house prices over time suggests, according to Ball, that land shortages (either through planning restrictions or because of landowners' monopoly powers) are not the primary determinant of the long-term increase in land prices. On the other hand, though, there is still a degree of 'conflict' between developers and landowners over the share of gross development profitability comprising the land price. In certain situations, and at certain times, landowners are

able to withhold land from the market in order to secure higher prices. We can therefore again see the way in which the general model can vary according to *locally* specific conditions, as indeed is the case in the Glemsford situation.

Rent theory can therefore provide a partial explanation for the relationship between house price inflation, land prices and housebuilding productivity. However, a number of questions remain unanswered. In particular, it cannot explain the origins of house price inflation *in general*. We have seen how the post-war period has been characterised by extensive inflation in house prices, especially during the 1970s and 1980s. While restrictions to productivity growth may well have partly boosted the price of new housing, the bulk of sales in the owner-occupier market are within the *existing* stock. Rent theory cannot provide an adequate explanation for global changes in house prices. In Glemsford house prices are relatively low, despite high land price inflation. We will return to this question in the next chapter, when we discuss the housing market.

Rent theory is also unable to explain the specific features of landownership and the degree of monopoly power of landed property. We have argued that land price inflation is closely related to the price of new housing, but because of the way the state intervenes through the planning system local variations in planning control can be important in influencing the supply of land for development. In

Glensford, we concluded that specific local circumstances may have determined the availability of land. We will also discuss this issue in the next chapter.

4 MANUFACTURING INDUSTRY AND RENT

4.1 Landed property and the textile industry, 1840-1914

Chapter 5 examined the restructuring of manufacturing – especially textile – industry in Britain and Glensford. A number of questions were left open, in particular: what were the reasons for the decline of the textile industry in the late nineteenth century and what part did landed property play in holding back productivity; why did a ‘ruralisation’ of manufacturing industry occur in the years following the Second World War? In Glensford, the same questions are applicable: we need to explain the role of local landed property in the restructuring of the parish’s manufacturing sector.

In Chapter 2 we argued that differential rent – in the form of differential profits – was potentially an important feature of manufacturing industry. Some firms could make profits above the average rate of profit for a given sector because of locational factors. These differential profits could then be appropriated by landed property if the land was owned separately.

During the 1820s–1840s the textile weaving – especially cotton – industry saw a reorganisation of its production techniques. Rather than involving extensive mechanisation and technical change, manufacturers preferred to alter the

production process and make increasing use of domestic outworkers. This way they were able to expand and contract the working time of the large unorganised labour force, depending on changes in demand. Since there was no maximum hours legislation until the 1850s, this provided manufacturers with an easy alternative to the introduction of new technology (Deane and Cole 1967). There was, nevertheless, great variety in level of productivity and technical development within the industry at this time. Chapman (1969) stresses the importance of distinguishing between different types of textile producer: many mills were not purpose-built but converted farm buildings and houses, and before the 1830s access to, and the use of, water power played a major part in boosting productivity. This meant that there were distinct variations in productivity between producers. Given the structural division between landed property and manufacturing capital at this time, it is clear that the existence of differential rent was a possibility. It is also possible, because of the low ratio of constant to variable capital in the textile industry, that absolute rent was a feature: this might explain the slow rate of mechanisation in the industry. On the other hand, Blaug (1961) has estimated that between 1834 and 1886 fixed capital in the cotton industry rose from £15m to £76m in constant prices and a ten year moving average of output rose from £11m to £58m, so producers appear to have been able to overcome any potential problems arising from the extraction of absolute rent.

The silk industry was also relatively under-mechanised. While there had been improvements in productivity in the 1820s, the substantial growth in output between the 1830s and 1860s - with average annual raw silk imports trebling - was more the result of the removal of import restrictions and protection against French competition (Deane and Cole 1967).

In Glemsford we have seen (Chapter 5) how there was an early fusion between manufacturing capital and landed property, in the form of growing linkages between agricultural capital and the weaving manufacturers. The economic cycle of the local weaving industry was reflected in the growth and stagnation of Glemsford's economy. This merging between manufacturing and agricultural capital implies that the local weaving industry may have been less prone to the limitations of absolute rent on technical change: without detailed information on its prices of production in relation to the national average⁷, this cannot be tested. Nevertheless, the fact that the local silk industry has remained in existence until the present may be indicative of its competitiveness. The coir industry, on the other hand, clearly lost out to foreign competition during the early twentieth century, with Ceylon and east Africa

⁷ Deane and Cole (1967: 207) note that quantitative information on the silk industry in Britain is 'seriously incomplete'. There, as far as I am aware, no quantitative - or other - information on horsehair or coir weaving.

taking over production.

Equally, we can hypothesise that the merging of manufacturing capital and landed property during the second half of the nineteenth century reduced the probability of any negative effects of absolute rent in the textile industry in general. Technical innovation was thus not held back by the extraction of rent by landed property, but for other reasons. While output and export levels in the cotton industry continued to rise during the late nineteenth and early twentieth century, despite some limited technical improvements British firms failed to adapt the key cost reducing innovation, the ring-spindle (Pollard 1983). The silk industry, in contrast, continued its long term decline, with employment falling at a faster rate than in any other industry (ibid). Clearly, we need to look elsewhere for an explanation of the lack of innovation in the textile sector. We will return to this question in the next chapter.

* * *

What role did absolute and differential rent play in the restructuring of the textile industry in Britain and Gloucestershire during the nineteenth century? It appears that differential rent could well have been a significant factor when there was a great variety in productivity levels within Britain and a separation between landed property and manufacturing capital. In the late nineteenth century, though, global differences in profit levels and productivity occurred as the British textile industry lost its dominant position. This would have meant a shift in the basis for

differential rent from domestic to global differences in average production costs.

In Glemsford an early merging of agricultural and manufacturing capital implies that the extraction of absolute rent was unproblematic for the silk industry, which maintained its position into the twentieth century. However, it appears that the lack of innovation in the textile sector in Britain as a whole was more the result of the conservatism of manufacturers and their ability to tap guaranteed colonial markets than any barriers connected with the extraction of absolute rent.

4.2 The 'ruralisation' of manufacturing industry

What is behind the post-1945 geographical reorganisation of production in Britain? It is necessary to consider the way landownership intervenes in the process of economic restructuring because it has been argued that a lack of land for expansion has been a major factor in the move to 'greenfield' locations. This argument has been concisely put by Fothergill and Gudgin (1982: 68):

'The explanation which is best able to fit the evidence turns out to be surprisingly simple: manufacturing is in decline in the cities because a higher proportion of firms in cities are in "constrained locations", restricted by old-fashioned premises, hemmed in by existing urban development and with no room for expansion'.

This, Fothergill and Gudgin believe, accounts for a number of features of the changing geography of manufacturing. In particular, the close association of settlement size with manufacturing employment change and the lower profitability

of manufacturing firms in larger cities are seen to be the result of land and space constraints. Fothergill and Gudgin further argue that '... the single overriding cause of the rural-urban shift in industrial location is the lack of space for physical expansion faced by the large proportion of factories in urban areas' (ibid: 99). 'Industrial structure', they believe, 'has been unimportant' (ibid: 111).

Keeble (1980) has suggested that there is no evidence for the relocation of firms due to location costs. The implications of these two studies are contradictory. On the one hand, manufacturing relocation is seen to be the result of site constraints, while on the other hand land costs are seen as a factor 'pulling' firms out of expensive urban areas. This points to the fact, noted in Chapter 2, that the role of land in manufacturing industry must be assessed according to its place in the production process. The Fothergill and Gudgin approach can thus be criticised for attempting to analyse manufacturing restructuring by recourse to certain *general* processes which are held to be applicable throughout industry.

Historically, most manufacturing industry has owned the land on which it sites its production processes (Massey and Catalano 1978: 106-107). This means that absolute rent is therefore capitalised in the purchase price of land bought by manufacturers. But DR1 can arise if firms gain differential profits in a given sector because they have

achieved locational advantages. These will tend to be generalised in time through the profit equalisation mechanism. Broadly, though, it must be said that the effects of land and location are contradictory for manufacturing capital. Massey and Catalano (1978) note that there are three implications of land rent for manufacturing industry. First, firms can potentially earn and retain intrasectoral excess profits, because of site location or quality providing these profits were not included in the initial capitalized rent. In these circumstances, the firm can maintain a competitive advantage. Second, since imputed rents tend to be included in trading profits, a rise in overall land prices can distort the 'real' trading profit for the firm. Finally, rises in land prices can induce firms to use sale-and-leaseback arrangements with financial institutions as a way of increasing their long-term loan capital. In addition firms can take advantage of existing valuable sites to change location and realise a considerable development gain. Massey and Catalano conclude that '(t)aking all these points into account, the direct effects of landownership on non-construction industrial capital are frequently contradictory and cannot be said to be major'. (ibid: 107-108). The major explanation for the geographical changes in manufacturing employment must lie elsewhere, and we will examine this question in the next chapter.

5 LANDED PROPERTY, RENT THEORY AND ACCUMULATION: AN ASSESSMENT

We will now summarise the preceding discussion in order to assess the way the ownership of land has intervened in the

accumulation process in the three major sectors. It is also necessary to reconsider the extent to which rent theory has been able to provide an adequate explanation for the observed changes.

In the housebuilding and agricultural sectors of production access to land has proved to be a significant feature of the accumulation process. In manufacturing industry, 'location' is potentially important, but this depends very much on the specific economic characteristics of the industry. However, it is also clear that in all three sectors the relations of production - especially the relations between capital and landowner - have varied considerably over time. In agriculture there has been a shift from a situation whereby landed property is separate from agricultural capital to one in which there is direct ownership of land by farming capital (although this has not meant that farmers are 'outside' capitalist relations of production as independent producers). The same has generally been the case in manufacturing industry. In the housebuilding sector, the early relationship between landed property and developers led to the classic shape of the industry which has been dominant since the nineteenth century, i.e. its fragmented nature, its emphasis on speculative production, and the importance of landownership in profit-making strategies. Accumulation in housebuilding has not taken place through intensive, technical change, but through the reproduction of existing forms of organisation. Faced with the barrier posed

by landed property, housebuilders have themselves attempted to become 'owner-occupiers' by subsuming the ownership and development roles.

But while changing the relationship between capital and land by owning land directly may transform the nature of absolute rent (into interest payments), it has not overcome the problems associated with *location*. In manufacturing industry geographical location is still potentially a significant factor in a firm's ability to create differential profits. This is also the case in agriculture because of the vagaries of the soil. In other words, differential rent *can* remain an important feature.

In this chapter we have examined some of the effects of landownership on accumulation. We have considered how marxian rent theory can illuminate the causes of economic restructuring in certain sectors of production. It is clear, however, that a number of gaps in the explanation remain. In particular, we have only a partial understanding of the reasons for price inflation in agriculture, especially since 1945, despite its rising productivity. The role of landed property as a barrier to restructuring during the nineteenth century agricultural depression is also unclear. In the housebuilding industry the causes of the marked boom/slump cycle in the nineteenth century are only partially understood, as is the mechanism behind the rise in owner-occupier housebuilding in the 1920s and 1930s. Finally, the relationship between land availability and land and house

price inflation in the 1960s and 1970s has not been fully explained. We can see, therefore, that rent theory provides only the barest framework upon which to hang a more detailed analysis. This must involve an assessment of the broader political and social developments which have shaped these structural processes.

The fact that rent theory can only point us in a general direction – providing us with an understanding of the economic parameters shaping a particular sector of production – is especially evident when we consider social and economic change at a highly localised level. While we have contrasted the way Glemsford's economy developed with the 'national' picture, and have made use of rent theory to examine its pattern of economic change, in order to understand the *reasons* for the shape of change in Glemsford we need to go deeper. By doing this we can also begin to see what makes the parish 'unique' and whether the particular form of landownership in the area has played a specific part in determining this unique set of social processes.

The next chapter will re-examine the unanswered questions, taking a broader approach which places stress on the political and social features of change. We will also analyse the reasons for Glemsford's specific set of social processes, paying special attention to the role of individual agents.

CHAPTER 7

CLASS RELATIONS, STRUCTURE AND AGENCY.

THE POLITICAL ECONOMY OF LAND IN BRITAIN AND GLEMSFORD

1 INTRODUCTION

We have now considered the way output, productivity and profitability have evolved in the agriculture, housebuilding and manufacturing industries, and the relationship between landed property and capital in each sector. In the last chapter rent theory was introduced as a possible way of explaining changes to this relationship, and it was concluded that this theory had only varying degrees of explanatory success. A number of questions relating to both the aggregate level and to the specific features of Glemsford were left open. It is the task of this chapter to fill in the gaps in our analysis. The chapter takes a less rigid and formalised view of historical change, marshalling together some of the more contingent factors - the features of historical change that are not the result of deeper structural processes - as explanatory variables. We will therefore discuss the changing class relations as they have influenced each of the three sectors. Furthermore, as we will later see, questions of agency become increasingly important as we approach the changes at the scale of the case study area. Because of this, the structure of Chapter 7 is somewhat different from previous chapters: we will discuss the aggregate level first and then consider the situation in Glemsford. Since much of the evolution of landownership relations in the case study area is the result

of locally-specific factors, contingent upon local 'agency', it is easier to separate discussion of the political economy of landownership in Glemsford from Britain as a whole.

2 THE POLITICAL ECONOMY OF LAND AND INDUSTRY IN BRITAIN, 1840-1980

2.1 Agriculture, manufacturing and the state, 1840-1940

Two questions remain partially answered: whether technical innovation was held back in agriculture during the depression because of the economic strength of landed property vis-a-vis the farmers; and why the textile industry also failed to innovate and restructure itself. In order to answer these questions it is necessary to consider the evolving relations between landed property, capital and the state.

Much of the history of the agricultural industry in particular has been shaped by the involvement of the state. This history of involvement goes back to the protectionism established during the Napoleonic wars with the Corn Laws. Since then the state has set the parameters around which agricultural accumulation takes place, whether via the protection of key products by import restrictions, by direct subsidy, by setting prices, or by the withdrawal of support. Many of the changes in the economic 'health' of agriculture must therefore be understood in this context. And the political position of agricultural landowners, whether farmers or rentiers, has been crucial in influencing the character of the state's involvement in the sector.

During the Victorian era there were two major periods of political activity which deeply affected both the agricultural and manufacturing industries in Britain: the anti-Corn Law and Free Trade agitation of the 1840s, and the introduction of legislation to control the growing power of corporate capital during the 1860s. We saw in Chapter 5 that British capitalism during the middle of the nineteenth century had a distinct social structure which comprised three important power blocs: family and private commercial and manufacturing businesses; the agricultural community of farmers and landowners; the emerging professional and intellectual bourgeoisie. Broadly, the anti-Corn Law and Free Trade movements in the 1840s lined up the newly emerging manufacturing capitalists (apart from the more conservative elements) against agricultural capital - farmers and smaller landed property - and the colonial and shipping interests (Marx 1973b; Perkin 1969)¹. The manufacturing capitalists were essentially concerned with establishing the 'unfettered movement of capital freed from all political, national and religious shackles' (Marx 1973b: 262). The struggle was essentially one whereby the newly-emerged manufacturers were attempting to abolish all excess costs of production. Faced with the strength of manufacturing capitalists, a professional and intellectual

¹ Although the Anti-Corn Law League was proud of the support of 'the wealthiest individual of the monied interest the wealthiest manufacturers and ... the wealthiest of the nobility' (contemporary source qtd. in Ward and Wilson 1971: 8).

class armed with the 'gospel of work and the horror of waste common to Evangelical and the Benthamite' (Perkin 1973: 183), and the contemporary economists' distinction between wages and profit (good) and rent (sinful), it was perhaps inevitable that protectionism should become outmoded as a policy. The Tories were reduced to a party supported by the farmers and smaller landed property (and the colonial and shipping interests) (Marx 1973b: 258; Perkin 1969: 378), and the party fell from power for 28 years.

Large *landed* property – the aristocracy – survived politically because of its acceptance of the need for repeal in return for the preservation of its monopoly of national *government* as its 'family property' (Marx 1973b: 259). Thus the government remained in its hands, in the form of the Whig element. Locally, in the growing urban areas political power tended to rest with the the popular sections of the bourgeoisie, whilst the rural areas remained in the administration of the landed gentry. This situation suited manufacturing capitalists since control of the central state was only really important in terms of foreign policy decisions².

What was the effect of the repeal of the Corn Laws and the introduction of free trade policies on the agricultural and manufacturing industries? It is clear that agriculture, far

² Hence any analysis focusing solely on the composition of the cabinet and the central government will therefore overemphasise the political strength of landed property (Gray 1977).

from suffering a catastrophic fall in prices, entered its 'golden age'. The reasons for this lie in the evolving market for its products, especially meat. The reduction in the price of corn meant that bread, a large element in household spending, was cheaper and consequently meat consumption rose. Imports of meat were impractical given the prevailing state of technology, hence British farms tended to shift to cattle, pigs and sheep rearing (although East Anglia remained a predominantly arable area). In addition, investment in railways opened up new markets within Britain (Body 1982; Hobsbawm 1969). Furthermore, major investment in foreign agriculture had yet to be made, and domestic agricultural prices had not yet been undermined by cheaper produce coming from Argentina and Australia (see Chapter 3). We can therefore see that the explanation for the economic strength of the farming industry was closely allied to its changing *market* characteristics, *rather* than to the political power of agrarian capital or to rising productivity. Although landed property remained powerful, both politically and economically, the relationship between landowners and farmers worked relatively well: productivity rose, but not fast enough to reduce prices, and any emerging structural problems could be hidden under the general buoyancy of the market.

In the textile industry silk actually remained protected until the early 1860s, and was not exposed to free trade. The industry's main competitor was France, and after the

removal of import restrictions it began to suffer (Chapter 6). The cotton industry remained profitable largely because of the growing amount of trade with British colonies. By the middle of the century Britain was producing around half the world's commercial cotton, and the terms of trade relative to the colonial and semi-colonial countries remained in Britain's favour until the turn of the century. According to Hobsbawm (1969: 146), as the 'modern, resistant and competitive markets' became harder to penetrate, Britain turned towards the underdeveloped countries. In 1820 60.4 per cent of cotton exports were to Europe and the USA. By 1840 this level had fallen to 29.5 per cent, falling further to 19 per cent in 1860, and only 9.8 per cent in 1880. As Hobsbawm puts it (1969: 147), 'Asia saved Lancashire'. Again, we must see the changes in this sector as the result of *market* and *political* effects, rather than simply the underlying structure of accumulation in the industry.

From the 1850s to the 1870s the Victorian economy was expanding rapidly. There were, however, also significant structural changes occurring, notably its internationalisation and changes to the nature of corporate control. During this period large landed property was becoming increasingly fused with manufacturing, commercial and financial capital. This was a time of ideological and political change, leading eventually to a partial rejection of the *laissez-faire* entrepreneurial ideal. A range of new regulations were introduced in the 1860s, including the

Factory Acts, the Adulteration of Foods Act, The Company Acts (recognising limited liability), and the extension of the urban vote in 1867. As Perkin writes, 'the game was still free and the State was still the referee, but the rules, which had been few and applied only to proven dirty players, were tightened up, increased in number, and applied universally' (Perkin 1969: 439; cf. Hobsbawn 1969).

While this 'fusion' between manufacturing capital and landed property was taking place, there remained doubts about the economic health of the farming industry. The possibility that agricultural restructuring was being stifled by the existence of rent payments was one factor behind the political movement for agricultural reform after the depression began in the 1870s. As accumulation faltered the chronic insecurity of tenure faced by many farmers meant that it was neither in the interest of the landowner nor the farmer to introduce new production techniques. Many landowners simply let their tenants build up rent arrears or decreased their rents. The climate for reform was therefore much more favourable in the 1870s and 1880s than during the earlier phase of agitation at the time of the Anti-Corn Law League. The demands of an extraordinarily diverse range of organisations - the Land Tenure Reform Union, the Land and Labour League, the Land Nationalization Society, the Land Reform Union, the Farmer's Alliance - eventually led to legislation improving tenants' rights, providing for compensation for improvements, and setting up allotments and

smallholdings. But despite the structural problems faced by agriculture in England, we should not overlook the fact that much pressure for reform originated in demands from the Celtic fringes (Douglas 1976). The agricultural depression was therefore not the only force behind land reform.

By the early twentieth century³ the land issue still simmered politically, and during the years before the First World War the Liberals gained popular support - including that of the farmers and farm labourers - for land reform and land taxation (Offer 1981). After the end of the First World War, though, agriculture was no longer a major political issue. While the industry remained in depression throughout the inter-war years and the regeneration of the rural areas continued to be a populist aim of the Liberal Party, there was only limited legislation relating to land reform. Nor did the industry find relief from the subsequent Labour government, which was more concerned with industrial employment and the regional problem⁴. In some ways, though, land reform was unnecessary for the industry eventually restructured itself. Changing landownership relations - specifically, rising levels of owner-occupation - were more

³ Douglas' account of the land issue during this period is very comprehensive and is useful in highlighting its effect on Scotland, Wales and Ireland (Douglas 1976). See Offer (1981) for a detailed analysis of Liberal land taxation policy in Lloyd George's 'People's Budget', and its aftermath the Land Campaign (cf. McMahon 1985).

⁴ The Under-Secretary for Home Affairs told the farmers in 1932 that 'any (agricultural import) duty, to be effective, would have to be so high as to cause an immense intolerable rise in the price of the commodity' (qtd. in Douglas 1976: 209).

the result of this factor than political conflict over land. The Country Landowners' Association thus had little need to worry, for private property was safe, despite the rhetoric and the lingering *cause célèbre* of both parties, land taxation. Landed property may have been *perceived* by much of the bourgeoisie to be problematic, but the main problems in the industry stemmed from the expansion of overseas production, described in Chapters 3 and 6.

* * *

In many ways the causes of the lack of innovation during the depression in the textile industry were similar. In particular, three factors were involved. Certainly, during certain phases of the late nineteenth century investors preferred foreign markets or housebuilding to domestic manufacturing thereby reducing the flow of capital investment into the textile and other industries (Chapter 6). Secondly, there were important changes to the location and nature of markets, with the expansion of the US domestic market and the increasing willingness of consumers in that country (and Germany) to purchase a standardised product providing a spur for mass production. The more expensive textiles produced by British manufacturers were no longer competitive on a world market (Aldcroft and Richardson 1969). Finally, the conservative nature of family-run businesses meant that firms were often loath to invest in new technology (Aldcroft and Richardson 1969). As Aaronovitch *et al* (1981) point out, technical change was only one weapon in maintaining international competitiveness

and as the small family firm gave way to larger holding companies, this merely meant that size, rather than innovation, became a competitive strategy. More important was the ability to achieve economies of scale.

2.2 The state and agricultural accumulation after 1945

We saw in Chapter 3 how there has been considerable inflation in land and produce prices since 1945, while at the same time the farming industry has seen rapidly increasing labour productivity. The effects of absolute rent in holding back investment and productivity growth were rejected in Chapter 6 as a cause of inflation in land and produce prices. Where, therefore, does the explanation for this price rise lie?

Since the 1947 Agriculture Act the state has intervened extensively in the farming industry, by direct subsidy and by controlling the parameters under which it operates. Changes to landownership and taxation legislation have pushed the farmer into a stronger position, resulting in new forms of fiscal and economic relation between farmer and landowner (Newby 1980b; CEC 1981). But control over agricultural landownership has perhaps been less important than direct state intervention in the industry at the points of *production*, through attempts to raise productivity, and *realisation*, through the regulation of the market in order to stabilise the income of farmers. The 1947 Act was formulated in a background of anxiety over food shortages, and it is not surprising, as Wormell (1978: 21) has put it,

that 'the farmers had an easy task in getting virtually all they wanted'. Essentially the Act was intended as a means of securing cheap food, marking the beginning of what has amounted to state protection of the industry's prosperity.

There have been two primary objectives of state intervention: to improve the stability and efficiency of agriculture and to maintain the income levels of farmers to prevent them leaving the industry. State farm policy has, however, changed considerably during the last forty years. In the 1950s aid was geared towards ensuring the use of 'desirable' techniques of production and towards particular products in short supply. This was achieved through the use of direct grants to farmers for the purchase of machinery, fertilisers and so on. Policy was relatively selective in what it supported (Bowers and Cheshire 1983). During the 1960s and 1970s, however, the thrust of agricultural policy changed. A collapse in world food prices in 1961 led to large increases in the cost of maintaining guaranteed domestic produce prices. Restructuring the farming industry through cutting back the number of farmers was clearly unacceptable to the National Farmers Union, so a series of 'gentleman's agreements' between Britain and world producers were made to restrict the volume of food imports entering the country and thereby allow high domestic prices without the need for large state subsidies.

This policy lasted until the massive rises in world primary produce prices in the early 1970s. Throughout the 1970s

arguments about the need for 'security of supply' have been heard, particularly from the NFU, and by 1975 the calls for a major, unselective expansion of the farming industry had largely been accepted. A number of White Papers during the late 1970s advocated the continued expansion of agricultural production (e.g. HMSO 1979b).

Following the entry by Britain into the EC the method of state intervention has changed to one whereby a series of target prices for the commodities covered by the Common Agricultural Policy is set each year, buffered by a support price below which market prices are not allowed to fall. The whole structure is protected by a tariff wall to prevent the inflow of cheap imports. Since the target prices are set at a relatively high level, the system has tended to result in over-production and massive intervention buying (hence the 'wine lakes' and 'butter mountains'). As Body (1982: 6) writes:

'The system of support took many forms, but whatever form it was in, it never operated unless home-produced food was more expensive than the imported variety ... In other words, the support system gave no advantage to the consumer. The beneficiary was intended to be the farmer...'

One major consequence of this intervention has been the raising of land and produce prices. In purely financial terms the cost of state support has been high. Bowers and Cheshire (1983) provide perhaps the most detailed attempt to estimate costs of state agricultural subsidies, the bulk of which is in the form of price advantages through the elimination of cheaper imports. Bearing in mind the problems

caused by fluctuating 'real' world prices, Bowers and Cheshire estimate that in 1979 milk and milk products enjoyed a maximum tariff of 750 per cent, and cereals over 60 per cent (the upper limit in manufacturing industry was 21 per cent). In total, something like 35-40 per cent of farmers' profits originated in support measures. Body (1982)⁵ estimates that the level of support for farmers' income has risen steadily to 166 per cent in 1980/1 and that the total cost of expenditure by the Ministry of Agriculture since 1946, in 1981 prices, has been approximately £40 bn. (estimated at £63 bn. by 1984: *Financial Times* 31/5/84).

It is argued (e.g. Body 1982) that any underlying increase in land prices due to supply and demand factors has been boosted by state subsidies. In effect subsidies have raised product prices and thereby altered the conditions under which prices of production and rent levels are formed. The extension of cultivation onto previously marginal land has shifted the margins of differential rent formation. Body (1982) has attempted to derive figures for the increase in land values since 1945. He believes that the total 'excess value', the difference between the 1939 (i.e. pre-intervention) price and current prices for all grades of farmland, is over £40 bn.⁶ The fortunate owners of

⁵ See CAS (1983) for criticisms of Body's calculations, in particular his estimates of the total costs of support and the effect of the CAP on food prices.

⁶ More recently estimated at £64 bn.: *Financial Times* 31/5/84).

relatively poor quality grade IV and V land have benefited from an 'excess value' of between 670 and 1000 per cent, according to Body. This must be treated with considerable caution since the whole question of deriving an 'average land value', on which Body bases his calculations, is fraught with difficulty (CAS 1983; cf. Wormell 1978). Nevertheless, whatever the true picture it cannot be denied that produce price support has had at least some effect on land prices.

2.3 Housing reform and the housebuilding industry, 1840-1940

We have only partially explained the reasons for the persistent rise in housing rents and the booms and slumps in housebuilding in the nineteenth/early twentieth centuries. It was argued in the previous chapter that *housing market* factors were potentially important explanatory variables in explaining the rise in rent levels in Victorian and Edwardian Britain. A number of authors have suggested that the private rented housing provision system led to a 'ratchet' effect on housing rents (cf. Ball 1983). The direct relationship between new and existing housing rents and lack of segmentation of the private rented housing market meant two things. On the one hand, housing shortages tended to drive up rents of *all*, and not just vacant, houses. On the other hand, an oversupply of housing did not lead to falling rents, since landlords were reluctant to reduce rents and tenants faced high costs if they moved to

vacant, but cheaper, dwellings⁷. The outcome of this process was a 'ratchet' effect on housing rents: rents tended to rise in times of shortage but simply stagnated, rather than fell, in times of glut. It seems, therefore, that the persistent rise in housing rents in the nineteenth century had less to do with the extraction of absolute rent by landowners than this feature of the housing market.

Alternative explanations for the building cycle in the nineteenth century can also be provided. The persistent rise in rents, which only tangentially reflected the change in working class incomes, meant that there were general housing shortages during most of the period for most of the working class. This housing shortage was exacerbated at a local level by a number of factors (Gauldie 1974; Saul 1962). Gauldie has emphasised the way speculative building activity tended to create temporary local gluts which discouraged further construction. Also important was the way financial investors were discouraged from lending money to developers once a building boom had become established, because they frequently had assets tied to existing rental property and were afraid that further construction would lead to over-supply and rent reductions. Finally, there was the fact that working class incomes generally fell during the late 1870s and 1880s, thus reducing purchasing power. The second building boom, at the turn of the century, may have

⁷ Towards the end of the century mobility became harder in any case, since landlords often demanded 'key money' and references from prospective tenants (Gauldie 1974).

initially been triggered by foreign investment flows, but rising domestic demand was probably a more important underlying factor. Particularly important was the growth of new manufacturing industry outside the 'traditional' urban areas - an early example of the changing spatial division of labour - and the speculative boom in middle class housing development around London. Habbakuk (1962: 226) quotes Charles Booth's evidence to the London Transport Commission in 1904:

'The new industries that are started are not started in towns; they are started outside. I think that anyone who travels through England cannot but notice the large new works that have been built in recent years and are being built near important stations ... It is not so much that they are going out of the towns, but they are not coming into the towns. But it must tend to move the population to a great extent; in fact, you see the houses of the working people being erected near these great factories'.

According to Saul (1962) and Gauldie (1974) the turn of the century building boom was primarily the result of speculative construction for middle income households. The South East had emerged as the largest growth area of the Victorian economy, linked to service industries and consumer oriented manufacturing (Lee 1981). This meant that there was a growing group of middle class households with rising incomes, demanding suburban 'villa' housing. Once the speculative boom had begun, investment capital poured into housing development. By 1900, though, problems of over-production had emerged and investors - of whom there may have been as many as 300,000 (Pollard 1985) - sold their housing assets. Building societies began to accumulate

surplus funds, but when the general trade cycle improved after 1906 there was a swing towards manufacturing investment, away from housing.

In conclusion, therefore, it appears that the driving mechanism behind the booms and slumps in Victorian housebuilding were principally the result of *demand* factors. As Saul (1962: 134-5) says, it is 'difficult to escape from the view that building was internally and positively determined for the most part and was not a residual activity'. Population growth, migration and income changes played a crucial role. While the availability of investment funding was clearly important, capital switching between Britain and abroad appears to have only been significant during the early stages of the 1880s slump. The internal structure of the industry - the relationship between landed property, housebuilders and investors - was relatively incidental in explaining the broad macro economic picture of housebuilding levels.

Why did private rental housebuilding collapse before the First World War, to be replaced by owner-occupation during the 1920s and 1930s? While declining profit levels in the early twentieth century were an important factor behind the fall in private rental housebuilding, the effect of the growing demands for cheap working class housing, provided by the state, must not be overlooked. State housing largely originated from the demands of the organised labour movement in the early 1900s, given voice through the Workingmen's

National Housing Council, local Trades Councils and the Independent Labour Party (Merrett 1979; Byrne and Damer 1980). The battle was not just for high-quality housing at rents similar to the existing housing stock, but also for a reduction in rents. Although there is evidence for rent strikes dating back to 1883-4 in London, the movement for cheap housing did not take off until the 1914-1918 war. By 1914 it is argued that the 'links in a national chain of struggle in the housing issue were in existence' (Byrne and Damer 1980: 68) and mass militant action eventually forced the state to take responsibility for the provision of working class housing for the first time. Nicholson and Topham (1971) argue that since rent restrictions were already in existence it was not so much new local authority housebuilding that private landlords feared, but the level at which council house rents were set.

The reasons for the growth of owner-occupier housebuilding in the inter-war period were also complex. We have seen how there was a combination of stable or falling building costs and land prices, and rising gross profits. The context of the phenomenal growth in owner-occupation was a combination of an increase in building society funds, a falling interest rate and the lengthening of the mortgage repayment period, as well as the relative cheapening of labour and raw materials during the economic depression (see Jackson 1973; Boddy 1980; Merrett and Gray 1982; Ball 1983). The government's macro-economic policies also meant that public expenditure was severely cut, with the result that the local

authority housing programme was curtailed (Merrett 1979). The inflation in house prices during the second half of the 1930s was primarily the result of market shifts by housing developers. As the owner-occupier mass market became saturated, developers shifted their target towards higher income households (Jackson 1973).

2.4 Housebuilding, the state and planning after 1945

Chapter 6 argued that the ownership of development land became increasingly important for the housebuilding industry during the 1960s and 1970s, allowing developers to use land dealing to maintain their profit levels without significantly improving the productivity of the industry. As the system became more oriented towards speculative production for the owner-occupier market, land and house prices, as well as total housebuilding output, have displayed dramatic fluctuations, with a distinct boom and slump cycle emerging. What are the origins of land/house prices inflation, though, and what is the relationship between land supply and land prices?

Since 1945, the state has intervened in the land development process by controlling the location and nature of development, and, at certain times, by its attempts to socialise the increase in land values arising from development (Ambrose 1986). The latter have taken the form of attempts (by Labour governments) to control the land market and tax development gains. The Land Commission (1967-1970), the Community Land Act and Development Land Tax

legislation (1975-1979/1985), as well as the betterment tax in the late 1940s, are all examples of this. Despite this intervention, though, the principle of a private market in the supply of development land has been maintained. This has meant that the housebuilding industry has not, generally, been wholeheartedly *against* a degree of state intervention. While the developers, through their various lobbying bodies, have tended to vehemently oppose attempts to introduce the taxation of betterment, the industry has not been entirely hostile towards some forms of control over the location and supply of development land. This consensus has at times brought together developers, landowners, and other property-based groups. For example, the 1967 Land Commission was welcomed by the Chairman of the Alliance Building Society, the Town and Country Planning Association and by most of the National Farmers' Union, although the Country Landowners' Association thought it would fail to boost the supply of land coming onto the market (Wormell 1978). The consensus has been such that certain elements of the 'property lobby' welcomed the Community Land Act, albeit in a highly watered-down form (Ambrose 1976).

The fact that housebuilders have not been against limited land use planning is not, perhaps, surprising. As we have argued, during the 1960s and 1970s the industry became increasingly involved in land trading and speculation rather than housing development. Any restrictions on supply via the planning system will clearly improve the position of firms

who are able to gain access to land. Nevertheless, the situation varies considerably depending on the specific circumstances of individual housebuilding firms: small firms acting as land speculators can be important in certain areas. These are more dependent on land dealing and are in a different structural position from large housebuilding arms of major contractors. There are also regional variations, with firms in depressed areas often being more concerned with housebuilding than land dealing (Couch 1988).

What conclusions can we draw on the relationship between house prices and land supply in the light of these trends in planning policy? Most important is the relationship between land prices and house prices. It is uncontroversial that developers price land on a residual basis, working out the potential value of development after costs, before deciding on a price to offer the landowner. Under this system it is clear that the state can play an important role in determining, via the planning system, the parameters under which development profits can be made, as well as the share of those profits between developer and landowner. But it is also the case that at a *local* level - say a market for a specific type of housing in a given area - the interaction of landowners' monopoly powers and developers' requirements can influence land prices. For example, landed property can withhold land in order to secure higher prices. This happened on a wider scale in the late 1950s when agricultural landowners, reinforced by the planning system, were able to impose restrictions on the rate of expansion of urban onto

previously undeveloped land, leading to rising land prices (Hall 1974). In addition, competition amongst rival developers for specific sites will inevitably introduce a degree of supply/demand 'push' to land prices, although this will be limited by the broad profitability criteria on that particular site.

Furthermore, the locally-specific character of landownership, the development industry and the local political framework can influence the planning system in terms of the interpretation of policy decisions. Rydin (1983) argues that different levels of policy implementation tend to lead to contradictory policies. It has been shown that although county planning departments have considerable influence over the context for local planning it is possible for disputes to arise over the local *interpretation* of structure plans (Fudge *et al* 1983).

What, then, is the story behind rising land and house prices during the 1960s and 1970s? It was argued in Chapter 6 that rising building costs and limited increases in productivity were only part of the picture. These may have explained *some* of the change in house prices, but other factors have had a greater impact, in particular developments in the housing market.

It has been argued that there is a close correlation between earnings and house prices (cf. Ball 1983) and we can certainly see some evidence for this link when we compare

changes in regional earnings levels and changes in house prices in relation to the national average: crudely, as earnings levels have risen in Britain, so too have house prices. However, it is not possible to determine the *direction* of the relationship from these patterns.

According to Bover *et al* (1988), who have examined the link between house prices and wages during the period 1958-88, house price rises tend to lead to upward pressure on wages, with a lag of about two years.

Also crucially important, according to Ball (1983), has been the shift in the owner-occupier market during the 1970s, to one which is dominated by existing owners. This has meant longer chains of purchasers and a greater likelihood that purchases and sales are mismatched. The lack of new housing supply - for whatever reason - has created conditions in which excess demand, together with money gains made by existing owners, has led to inflationary pressure in house prices.

The lack of new housing results from a number of factors. We have already argued (Chapters 4 and 6) that the housebuilding industry has been able to maintain profit levels by land dealing rather than housebuilding. It is also possible, according to some authors (e.g. Evans 1988) that a lack of housebuilding land has resulted in rising land prices and restricted the output of new housing. However, it is clear that historically there has been a close correlation between house price rises, construction costs

and output. As was argued in Chapter 6, land price trends have tended to *follow* the change in house prices and the level of gross development profitability, which would imply that at an aggregate level the rate of price inflation in new housing has little to do with shortages or inelastic supply. Locally, though, where new housebuilding can represent a major contribution to the supply of owner-occupier housing, the price of new housing can play a part in determining overall house prices. This implies that the supply of land at a local level, monopolistic practices of landowners, and restrictions through the planning system can influence *local* house prices.

2.5 The 'ruralisation' of manufacturing and the spatial division of labour

We argued in Chapter 6 that land availability and landed property have played a minimal part in the post-1945 changes in the location of industry that have so effected communities such as Glemsford. Since this thesis is primarily examining the role of land in macro-economic changes and the ability of rent theory to explain its changing role, this is not the place to enter an extended debate on the precise reasons for the changing spatial division of labour. There already exists a voluminous literature on this subject (e.g. Massey 1984; Marshall 1987; Scott and Storper 1988).

It is necessary, however, to make one point, because of its relevance to an explanation of changes in Glemsford's housing market (see below). It has been argued that a key

problem for manufacturing industry during the post-war period has been to find a *tractable* labour supply on which to impose fordist and neo-fordist techniques. Labour 'quality' has become increasingly important as competition and innovation have diminished the technical differences between firms. Production change can occur in a number of ways - through intensification of the labour process, rationalisation, or investment and technical change to the production process - but it is important to remember that location change may be an integral part of the process. This can mean that a change in production technology will lead to new locational requirements, or that locational shifts are used to avoid confrontation with unions over proposed changes (Massey and Meegan 1982).

But what is it that makes labour more 'tractable'? The labour requirements of capital have historically included the availability of non-union and non-militant workers, low wage rates, 'pools' of available surplus labour. It is clear that many rural areas fulfill these demands. Manufacturing capital is therefore potentially able to redistribute its activities to exploit the spatial variations in the quality of the labour force. Rural locations, often with increasing labour surpluses and traditionally low female activity rates, have been particularly attractive to capital, furthering the opportunities of individual firms for making differential profits over space (Cooke 1981).

This process goes some way as an explanation of

geographical employment and population change. As the development of capitalism within a given sector of production becomes generalised, spatial differences in the production of its inputs (apart from the availability of raw materials) are diminished. We have shown how rent will arise in different ways, depending on the sector of production. For some manufacturing industries location on advantageous sites can result in excess profits. If land, as an input, becomes less important as a condition of production, locational advantages can potentially be gained by exploiting differences in labour supply, differences not simply of costs, but of skill level and susceptibility to control. This has led to global changes in the division of labour in some industries, but it could equally well occur at the domestic level, with firms seeking out spatial labour market differences. Whether individual firms in a certain industry are likely to locate in rural areas or in any other location, though, is entirely dependent on the conditions existing within that particular industry at that given time. Nevertheless, relocation in the rural areas certainly seems to have been a powerful trend in Britain during the 1960s and 1970s (see Healey and Ilberry 1985).

* * *

We have now discussed some of the more contingent features of historical change in agriculture, housebuilding, and manufacturing. It is clear that the evolution of the capital-land relationship - as expressed in the changing role of rent in the accumulation process - can only provide

a partial explanation for developments in these sectors. It is now necessary to consider the political economy of the capital-land relationship in our case study area, in order to examine the way in which the changes discussed in previous chapters are (1) shaped by the specific pattern of social relations in Glemsford, and (2) shaped by the 'wider' macro level events discussed above.

In the previous chapters on Glemsford we looked at the emergence of new forms of land ownership and the restructuring of various sectors of production. It was argued in Chapter 1 that one broad objective of the thesis is to understand the underlying processes of change rather than 'surface' effects such as the political and cultural hegemony of the farming community. A second aim is to use landed property ownership as a tool with which to examine the concept of 'locality'. It is now necessary to consider the reasons for the changes in the parish's economy which have been observed.

It has already been hinted that the actions of individual agents may be significant in influencing the local pattern of events. This is not to suggest that these people acted purely as they wished, in a voluntaristic manner, but that their decisions played a particularly active part in shaping the parish during the mid- to late-nineteenth century. Having now discussed the social and political transformation of land and capital ownership in England we are in a position to examine the *origins* of our agents' actions in

greater detail, neither ascribing this solely to the economic and social conditions, nor reducing it to the single concept of 'class struggle'. In effect, we need to consider the extent to which there exists an active set of social processes specific to Glemsford.

It is also important to bear in mind that these 'agents' were not just the owners and controllers of property in the parish, for there was also a powerful working class, resisting or modifying change. The outcome of both groups' actions was therefore complicated. Neither had it all their own way. Nor are the struggles simply struggles between capital and labour, as there has also been conflict between different fractions of local capital.

3 LANDOWNERS AND SOCIAL CHANGE IN GLEMSFORD

3.1 Agriculture, manufacturing and Local politics, 1840-1900

We have yet to explain the underlying reasons for the specific changes to property ownership in Glemsford, as well as the under-mechanisation of the local farms. It is necessary to call on two levels of explanation to provide answers to these questions: the reasons arising from specific events, local to the parish; and the wider contextual parameters, within which the specific events are located. Broadly, as has been indicated in Chapter 3, the agricultural land market in Glemsford saw considerable activity at certain times in the mid- to late-nineteenth century, and owner-occupation levels tended to be higher than average. There were also changes in the ownership of

housing property during the late-nineteenth century (Chapter 4).

The 1840s and 1850s saw a particularly vigorous property market in Glemsford. A number of large transfers of land led to a general retreat of the owner-farmer. In particular, two important estates changed hands. These comprised Samuel Bell's two farms (Court and Park) and Alexander Duff's property, which consisted of several farms, the silk mill and 27 cottages.

Why did these transfers take place, though? Despite the repeal of the Corn Laws this was a time when farming was relatively attractive. Agricultural prices held-up well and the cost of farmland was generally rising rapidly in real terms. Glemsford's grain-based agriculture had special advantages. Land in the parish was selling for slightly above-average prices. Bence paid between £39 and £47 per acre for his land, perhaps £5 to £10 above the national average¹.

The years between 1840 and 1860 were very much a formative period for Glemsford. Essentially, it was a time when a capitalist economy was established, marked by the introduction of large-scale manufacturing industry and a consolidation of the tripartite landowner/farmer/farm labourer arrangement. During this period the parish's population was growing very rapidly. This would have

¹ SRO: KHR. See Chapter 3.

provided a supply of labour to both the local manufacturing and agricultural industries at low wages. There is much evidence that wages were low in Glemsford. We have already seen how there were periodic disputes over pay (and hours of work) throughout the years after 1840. In 1844, the agricultural labour force was involved in farm incendiarism². The incidents were serious enough for the local MP to explain in the House of Commons that the riots were caused by low wages and argue the advantages of roofing farm buildings in slate (*Bury and Norwich Post* 7/2/1844). West Suffolk's only recorded incident in which farm workers destroyed threshing machines (and threatened to burn the corn in the fields) took place at Withersfield, a few miles away (Hobsbawm and Rudé 1969: Appendix III).

Another factor behind the relatively low local wages was the fact that Glemsford was unaffected by the mass migration of people to the towns - if this had been the case, farmers would have had to bid up the cost of labour and/or

² According to contemporary reports 'many of (the rioters) instead of rendering assistance frequently endeavouring to obstruct the firemen and openly exulting at the fearful progress of the flames' (*Bury and Norwich Post* 7/12/1844). There was, however, also a certain amount of 'private enterprise' amongst the dissidents, unrelated to any general workers' movement. In Glemsford the most dramatic act of agrarian terrorism was carried out not by a farm labourer but by a disgruntled bricklayer's labourer who had been sacked by his employer. During the course of a drunken evening he managed to burn down the employer's thatch and a prominent local farmer's hay-stacks, another farmer's barn (although an attempt on 'Mr. Mann's premises' failed). The unfortunate labourer, Jabez Copey, was later transported to Australia (Deeks n.d.). All newspaper accounts cited are from Deeks (n.d.) which contains useful reprints of many contemporary reports relating to Glemsford.

substitute labour with the agricultural machinery which was then becoming available. However, since the population of Glemsford was increasing rapidly³ a pool of cheap labour would have been available for both agricultural and manufacturing work. As an 'open' village, such that landownership was not dominated by a single owner, employers in Glemsford would have encouraged in-migration of workers and the village would have acted as a reservoir of surplus labour (Newby 1977; Hobsbawm and Rudé 1969). It therefore seems likely that it is these factors that lie behind the relative under-mechanisation of the farms in the 1850s, rather than high levels of absolute rent.

Unlike many areas in which an increasingly expensive workforce had been replaced by newly-developed farming technology, farmers in Glemsford could therefore rely on a plentiful supply of agricultural labourers at relatively low wages. Coupled with the generally buoyant state of agriculture, investment in local farmland would therefore appear to have been a reasonably sound bet for the mid-nineteenth century speculator. It is possible that this may have been the impetus behind Edward Bence's investments on the Kentwell Hall estate.

³ It would only be possible to determine from the enumeration forms whether the increase was due to natural growth or in-migration after a great deal of further research. The total population grew from 1366 to 1932 between 1841 and 1861 and the economically-active population grew by 67% in 1841-51 and 33% in 1851-61.

The second major property transaction was the sale in 1848 of Alexander Duff's estate to Henry Eaton, a London 'silk broker'. It is impossible to be sure of Eaton's motives in purchasing the estate. Perhaps he saw himself as a potential landed squire: as we have seen, during this period manufacturing capitalists increasingly had sufficient wealth to buy landed property. Eaton even managed to pick up the estate at the knock-down price of £12,093, probably because Duff was involved in a dispute with his bankers over unpaid interest charges⁴. A more likely explanation, though, is that Eaton was merely an astute businessman with an eye for a bargain who could see the advantages of the Glemsford labour force: he subsequently proved to be more interested in building (and owning) the parish's housing fabric and his political career than in playing the part of the village squire (see below).

Partly because of these transactions, involving over two-thirds of the parish's land, owner-occupation declined considerably, from 45 per cent to 15 per cent between 1840 and 1860. To what extent was this due to changes in the economics of farming as a whole and to what extent were other 'local' circumstances involved? This was the 'golden age' of farming and an attractive period for the rentier who was able to tie farm rents to agricultural prices (this was the case at Kentwell Hall). From the farmer's point of view,

⁴ 'Abstract of Title'. SRO 821/1.

however, the increasing price of land must have acted as a deterrent to many potential entrants to the industry, and renting would have been the major option. The potential landowner was, however, lucky to find a number of properties becoming vacant for various reasons: not only was Alexander Duff in financial difficulties, but a considerable amount of land was made available as other farmers retired or died⁵.

Between 1840 and 1860, therefore, owner-occupation declined in Glemsford. This was a period when economically favourable conditions for the landlord prevailed in England (despite a distinct political and social retrenchment) and the parish's agriculture remained strong. These 'general' factors, however, were compounded with some specific local events: the deaths and debts of certain individuals provided the right 'mix' within which landed property could grow. During the following two decades, from 1870 to the early 1880s the amount of owner-occupied land grew more than threefold. Superficially the explanation is clear: there were a number of large transactions in which a large amount of rented land was sold to owner-farmers, including the sale of Henry Eaton's 600 acre estate in 1878 (about 25 per cent of the

⁵ For example, John Walter Bigg, a large owner-farmer with over 180 acres in 1840, rented out about 140 acres, keeping the balance for his own needs. Since his children had left home, his smaller farm and rental income was presumably sufficient to support him and his wife. Thomas Pung owned and occupied 186 acres at the time of his death in 1851. This holding was taken over by a farmer-landlord, Thomas Brand, who used two-thirds for his own use and let the remainder. On Brand's death in 1860 the land seems to have been entirely let, until (probably) his son took over around the turn of the century.

parish's area). But how do we explain the underlying reasons for these transactions; to what extent were they the result of specifically 'local' factors?

During the early 1870s there was substantial unrest and strike activity amongst the village's farm and industrial labour force. The first major strike in the fields since the 1840s took place at William Goodchild's farm in October 1872 and was a prelude to the growth of the National Agricultural Labourers' Union in the area. The dispute was about hours of Saturday work and was initially a victory for the labourers. The Union was formed the following month and at the inaugural meeting the member for Glemsford told Joseph Arch⁶ that the

'working men of Glemsford were determined to support the agricultural labourer even to the last in everything that was fair, legal and legitimate ... we have something like 450 members at the present time and half of them were agricultural labourers and in some parishes all the labourers had joined the Union' (qtd. in Deeks n.d.: 122-123).

This solidarity between factory and field worker was to remain intact for over a decade, and there was considerable intimidation of non-union workers⁷. By April 1873 Goodchild's agreement over working hours had broken down and

⁶ See Horn (1971) for details of Joseph Arch during this period.

⁷ Two weavers and a butcher were charged with threatening and intimidating a blackleg agricultural labourer (*Bury and Norwich Post* 28/1/1873), and three factory workers were jailed for assaulting a non-union labourer at Goodchild's farm. According to contemporary newspaper reports the men were alleged to have said: 'Here comes one of Mr. Goodchild's men, he ain't one of the union ... Let's stone the old ---, ... tell him to pay his men, you b---old ---, and now we'll kill the old ---' (*Bury and Norwich Post* 10/5/1873).

he summoned his employees for leaving work early and breaking their contracts. The subsequent court case, which Goodchild won, caused a stir in the area and, along with the general lock-outs and victimisation of union labourers by farmers, probably left many of the farm workers feeling bitter.

Further political conflict took place in the following decade. Between 1872 and 1885 local coir weavers had seen four reductions in their wages⁸, as the weaving industries began their economic decline. Although a 'Matting Weavers' Trade Society' had been formed in 1881, an event which itself caused sackings and a strike (Deeks n.d.), the weavers of Glemsford were not especially unionised, with about 128 members out of several hundred workers in the industry. Nevertheless, the strike was initially solid, and

⁸ The employers argued that the reduction was necessary because of competition from the prisons, using cheap labour (although at 2s.4 1/2d. the mat-makers were receiving starvation wages). A Mr. Perry, addressing a strike meeting, argued 'I am not very big and I do not think the mat weavers are for they have not had food enough to make much flesh. Food has been getting dearer and our labour cheaper, and we cannot expect to get fat that way ...' (*Essex and Suffolk News* 31/1/1885).

the weavers managed to hold out from January to April⁹, when they were forced back at their old wages. Given that even when in work the mat-makers were described as having 'a hollow cadaverous look about them' (*Suffolk Chronicle* 23/2/1885) it is perhaps not surprising that hunger led to their eventual defeat.

The 1885 general election - in which a large number of new voters were enfranchised - provided an opportunity for the Glemsford working class to make its feelings known. The major issue was the level of wages, although there was also some interest in Joseph Chamberlain's proposals for land reform, i.e. the creation of small farms (Deeks n.d). At a much disrupted Conservative Party election meeting the candidate, Thomas Weller-Poley (of the local landowning family), criticised the proposals for burdening the local rates without benefitting the working class and was met by a barrage of protest: 'We understand farming at Glemsford ... the farmers don't' the 'interrupters' were reported as

⁹ The strikers displayed a sophisticated understanding of economics and politics. The *Essex and Suffolk News* of 31/1/1885 reported that a 'Mr. John Smith ... delivered a long address which was principally composed of quotations from and remarks on the wages table of the London operatives as contrasted with that adopted in the country, the rates in London being some 30 per cent higher than in this district. He urged the great importance of co-operation and unity'. Mr. Perry argued that 'We have heard lately a great deal about the franchise and that we are all going to have a vote. Why do not the masters meet us like men, call us together and advise us to vote for those who want to be members of Parliament, whether they be Liberal or Conservative, who would stand up in the House of Commons for doing away with prison labour which no doubt was interfering with free labour outside the prisons' (ibid).

shouting (*Essex and Suffolk News* 13/10/1885).

Perkin (1973) has claimed that land reform played a greater part in the 1885 election than in any other, before or since. Did the Liberal Party's radical proposals for 'three acres and a cow' win them the election in Glemsford? As we have seen, just as capital in Britain was essentially conservative in its investment attitudes, it was also conservative politically, perceiving land reform as part of a 'creeping conspiracy' threatening property holders (Perkin 1973: 210). Given that the pervasive political concept of Victorian bourgeois thought was 'the notion that the leading property holders ... were the natural representatives of their communities' (Gray 1977: 77), it is not surprising that these groups withdrew their support from the pro-reform Liberals in droves¹⁰.

Despite the Glemsford working class' evident support for land reform ('we understand farming, the farmers don't') actual agitation over this issue was minimal. The specific details of the proposed reforms seem to have been lost on the voters in the general fervour for change. The *Essex and Suffolk News* of 13/10/1885 reported: the 'interrupters' at the Conservative election meeting demanded 'small farms without giving up their weekly wages. "How can you farm your

¹⁰ Even though the land reformers, apart from those demanding complete nationalisation, were of an essentially bourgeois complexion, still clinging to the ideal of private property.

farms and work all day too?" Mr. Poley asked, but the only answer to this was a great outburst of noise'. Glemsford's working class had lost its agricultural roots several decades previously and the vast majority comprised factory wage labour with little or no experience of farming (see Chapter 4). More likely, then, the redistribution of land was seen by the new electorate as merely part of the whole process of throwing out the old guard. The Tories, in the minds of the Glemsford electorate, were the 'gentlemanly party' (as one trade unionist argued. *Bury and Norwich Post* 28/7/1885), and the political equation was clear.

At the macro level, we have seen that this was a time of severe economic depression, particularly for arable agriculture, and falling farmland prices. Glemsford, with farms specialising in grains, would have been especially hard-hit. However, when we probe for the reasons for the property transactions, this level of explanation seems less important. Henry Eaton appears to have been relatively disinterested in the landholding aspect of his estate for a number of reasons: he was a partner in a firm of silk brokers and, apart from one year, Conservative MP for Coventry from 1865 until his peerage in 1887. Nor was he lacking in other property since he also owned a large estate in New Orleans, worth over £23,000 on his death¹¹. It is possible that faced with the local labour unrest (although neither of his farms were directly affected), the

¹¹ PRO: IR 26/6110.

agricultural depression and the falling value of his estate, Henry decided to divest himself of an increasingly dubious investment and concentrate on his other activities.

The decreasing land values benefited farmers, however, who were able to snap up property at prices not seen for twenty years or more. Thus William Goodchild¹² was able to become the major farmer in the parish by the 1880s, with a holding of over 1000 acres, almost two-thirds of which was owner-occupied. His two sons rented another 600 acres.

Thus owner-occupation of farmland in Glemsford did not become more widespread in the 1880s as landowners took over land to farm 'in hand' and sold off small parcels to sitting tenants, both common practices as the depression began to bite (see Chapter 3). Kentwell Hall, the major landed estate, remained intact throughout the depression years. Owner-occupation increased, rather, because of the growing ability of certain farmers to buy land, despite the restrictive economic circumstances, and the willingness of a property-owning MP/industrialist to sell off his estate.

A further rise in owner-occupation took hold in Glemsford when Sheperd Goodchild was involved in another two major

¹² There is little known about Goodchild's origins. he made his first recorded appearance in Glemsford as a tenant of Mill Hill Farm. The Goodchilds were nonetheless an important family in the area for apart from the Glemsford branch, there was also a Col. Sharpe Goodchild at Blacklands Hall in the neighbouring parish. 'Agriculture has always been his favourite pursuit' wrote Manning-Press (1906).

transactions, buying New Street farm from the executors of the previous owner (a large London-based West Suffolk landowner) in 1911, and Mill Hill farm in 1925. The latter farm was sold to cover an outstanding loan¹³.

3.2 Housing and labour demand in the nineteenth century

We have considered the role of investment factors in boosting housebuilding levels in the nineteenth century. It is clear that nationally there were local variations in the way capital was recycled into the built environment, depending on the particular demand characteristics, the nature of local land and capital supply, and the character of the local development industry. In general, it was certainly the case that in some towns housebuilding levels were related to flows of finance from other sectors, but not in others. Cairncross (1953), for example, demonstrates that housebuilding activity in Glasgow, but not Dundee, was tied to foreign investment flows. In Glemsford, it appears that the housing boom corresponds largely with the changes to the local economy, especially during the period of manufacturing expansion in the 1860s and 1870s. There seems to have been very little housing development after 1880. As we have seen, the main agents involved in housebuilding were local small

¹³ Interview with present occupant. Agricultural property was heavily mortgaged at this time, with 41 per cent of all farmland indebted (Offer 1981). This was a very serious situation because of the cost of debt servicing: with interest rates at an extremely low level, any increase in the rate could potentially mean a crippling rise in finance charges.

scale capitalists, largely farmers and manufacturers. We can, however, say very little about the economics of development in Glemsford. It is not possible to analyse the flow of capital from local manufacturing industries into housebuilding, other than by considering the relationship between the agents involved in housing development and those involved in manufacturing. But we can, with some certainty, say that landowners, far from acting as a major barrier to investment, *were* on the whole the housing developers, and land for housebuilding was bought from farmers or was already owned.

For various reasons, though, it appears that *demand* factors were perhaps more important in determining the pace of housing investment than the speculative recycling of manufacturing profits. It is clear that the period of maximum population growth, together with the expansion of the principal local industries - horsehair/coir and silk - had ended by the time the housebuilding cycle peaked. (The former employed some 700 workers and the latter 230 workers by the mid-1870s). Given the very rapid population growth in the mid-nineteenth century, the pressure on the housing stock must have been extreme. Despite the extensive new building, overcrowding (in terms of households per dwelling) seems to have increased slightly. Table 7.1 shows the approximate number of households per dwelling.

Table 7.1. Average number of households per dwelling, Glemsford

year	h/hlds	year	h/hlds
1841	0.92	1891	1.05
1851	0.92	1901	1.00
1861	0.90	1911	1.00
1871	0.98	1921	0.97
1881	1.03	1931	1.01

Source: census

Note: 1841-71 estimated on basis of 5.1 persons per household (average household size in 1881)

Most of the housebuilding by Henry Eaton (the silk mill owner and main housing developer) took place during the 1870s after the boom years of population growth, and it is hard to tell whether this was due to a reckless optimism in future growth or whether he was simply replacing ageing dwellings. Certainly, Eaton appears to have been responding to a perceived (and real) need, and acted more as a developer interested in the flow of rents. As for the others, it is likely that most small builders and other developers would not have acted speculatively, given that the population ceased to grow during the late nineteenth century.

While housebuilding ended in the late nineteenth century, changes to the ownership of the housing stock continued to take place. In particular, there was a proliferation of small-scale housing landlords. It was argued in Chapter 4 that this was because the ownership of housing represented a means by which investors protected themselves against loss

of employment or old age. Many of the landlords in Glemsford from the 1880s to the early 1900s were drawn from the the upper-echelons of the Glemsford social structure: there were a number of factory managers, shopkeepers, builders, a farmer (William Goodchild), and a coal merchant amongst others. Unfortunately, it is not possible to say how the occupational structure of the parish's landlords changed between the 1881 and 1911 censuses, but it would almost certainly have been the case that during the depression farmers and builders would have felt threatened financially. Two groups, the factory managers or owners and the builders, appear to have been well-represented throughout the period (perhaps not surprisingly, given their relatively privileged income status). It is possible that there were more farmers and skilled craftsmen - carpenters and thatchers, for example - during the 1840s, although the largest landlord in 1910 was in fact described as a shoemaker in the 1881 census. Given the declining importance of this group, though, it is to be expected that they would be less well represented amongst the list of landlords in the later years.

What were the reasons for the proliferation of housing landlords in Glemsford in the late nineteenth century? Few of the largest housing-owners in the parish appear to have relied solely on rents as their major source of income. Most were engaged in other activities which either supplemented their rents or formed their principal income. Until the later census forms become available for inspection, the

occupation of the vast majority of small landlords must remain a mystery. We can say, though, that the proliferation of these housing-owners coincided with the economic (and population) decline of the parish from the 1880s onwards, so it is perhaps plausible that the growth in landlordism was a result of the desire for economic 'protection'. Henry Cook, the manager of the horsehair company, certainly bought property after the mid-1880s, perhaps to provide rental income during his retirement since he was by then in his mid-forties. He may well have been shrewd enough to see the advantages of protecting his family from economic troubles by investing in housing, since the horsehair company for which he worked was bankrupt by 1906.

Little is known of the changes to housing ownership during the inter-war years. The total number of houses in Glemsford declined by about 16 per cent between 1901 and 1931, and the total population dropped to half its 1881 peak. There is no record of the changing pattern of tenure during this period, hence the growth of owner-occupation (if it took place at all) cannot be traced. No council housing was built in the parish during the inter-war years, possibly due to a surplus of dwellings as the population fell. There is certainly no evidence of any political pressure for new housing. As we saw in Chapter 5, there was a substantial decline in the level of manufacturing employment in Glemsford between the wars, and one conclusion must be that housing provision was not a significant issue. Nevertheless, the horsehair factory

(Arnold and Gould Ltd.)¹⁴, purchased a number of houses for its expanding workforce, indicative perhaps of a desire to stave off any inflationary pressure on wages.

3.3 The demand for housing and agricultural land, 1960-80

Since 1945, and especially from the 1960s, the economic structure of Glemsford has changed considerably. As we saw in Chapter 5, manufacturing industry now dominates local employment, with no overall growth in level of employment in the service sector during the period 1971-1981. Of the total job gains in the 1970s, 64.5 per cent were in manufacturing and 29 per cent in services. The type of work has also been changing: manufacturing jobs have generally become more 'skilled', with a growth of supervisory and/or skilled manual jobs and substantial falls in the proportion of unskilled jobs in all economic sectors.

In this context, it is not surprising that there have also been changes to the local housing market. The population of Glemsford grew by over 1000 inhabitants during the 1960s and 1970s¹⁵. Together, these trends have created a rapidly changing demand for new housing. How has the pattern of employment change been translated into an articulated demand for housing?

In Glemsford it appears that a growing demand from a

¹⁴ Interview with present company owner.

¹⁵ Although the Parish Council believes that the village has 'developed at an easy pace over the past 20 years' (GPC 1977).

relatively skilled workforce has been felt in terms of pressure for owner-occupier housing. During the 1970s owner-occupation grew from about 62 per cent in 1971 to 76 per cent 1981. In Chapter 4 we looked at the rate of housebuilding in the 1960s and 1970s, concluding that per capita housebuilding levels were relatively high. We also saw that while house prices in the late-1970s and early 1980s may have been slightly lower than the regional average, land price inflation was considerably faster.

The type of housing demand appears to have changed during this period: the Kings Road development, begun in the late 1970s, predominantly comprised mixed dwelling-types, including two- and three-bedroom semi-detached houses, small 'studio' flats, and bungalows. As we noted in Chapter 4, the Silk Mill development has changed in character from expensive detached and semi-detached housing to cheaper bungalows.

The scale of housing development in the 1970s has produced a considerable demand for development land in and around Glemsford. Despite the differences in type of developer, there are some similarities in the pattern of development on the two major private sector sites. In each case the original landowner attempted to capitalise the land value by either selling to, or becoming the developer him or herself. On the Kings Road site it was a case of farmer-as-developer. The Silk Mill site was owned by a local industrialist who obtained planning permission for housing development during

a period of depressed markets for his company's products. However, in neither case was the developer able to proceed, and ultimately the land was sold to housebuilding firms¹⁶. This has not stopped other landowners attempting to sell housebuilding land: the developer of the Silk Mill site has unsuccessfully tried to expand the company's land bank, being blocked by an unknown owner he fears is holding out for higher prices¹⁷.

These cases illustrate the precariousness of the speculative housebuilding industry. Even in Glemsford, with a rapidly increasing population and growing demand for new owner-occupier housing, private-sector housing provision is a finely balanced activity, with specific events - for example landowners holding out for higher prices - potentially blocking development. This is in sharp contrast to the population boom of the late nineteenth century when housing developers and farmland owners were frequently one and the same, retaining an interest in the property as the landlord.

We also argued that a further 'barrier' to developers is posed by the land use planning system and that local control over the planning process can vary considerably. Four main

¹⁶ Barratt's specialised at that time in purchasing existing land banks from developers in financial difficulties (see Ball 1983).

¹⁷ Interviews with builder and previous landowner.

documents provide the basis for land use planning and housing provision in Glemsford: the Suffolk Structure Plan; the Sudbury District Plan (BDC 1982); the Settlement Policy Planning Guidelines for Glemsford (BDC 1983); and Babergh District Housing Investment Programme Statements (BDC 1984). These statements of planning and housing intent represent the outcome of a political process taking place at the various levels of the local state, and as such may be regarded as expressions of the underlying local struggles between the different agents involved in land use.

A basic contradiction in the 1970s relating to Glemsford appears to be that on the one hand there is a broad policy of restraint and protection of existing land uses for western Babergh, expressed in the Suffolk Structure Plan; on the other hand there is a recognition at District level that a 'head-of-steam' for future growth was built up in the 1960s and 1970s, which needs to be accommodated. The authorities understand, of course, that much depends on regional employment growth:

'limited future job creation ... as a result of both national and international trade recession will probably have a limiting effect upon the rate of migration into the area, particularly when coupled with the termination of the Town Development Act Agreement' [formed in 1965 with the Greater London Council] (BDC 1982: para. 2.1.7).

The fact remains, though, that during the early years of the Community Land Act there was a 'very enthusiastic land

allocation policy'¹⁸ in the District. By 1980 land with planning permission for over 2,100 dwellings had been allocated in western Babergh, giving a large *potential* future population increase. Given this 'head-of-steam' the planners recognise that restraint policies 'won't begin to bite until after 1991'¹⁹. However, there now appears to be a clear demand for future restrictions on growth:

'The opportunities now exist for the restraint policies of the Structure Plan to take effect earlier than expected. These policies have achieved a large measure of public support in the Sudbury area and, indeed, in the initial consultation exercise on the Sudbury District Plan the overwhelming public reaction was that future growth needed to be slowed down considerably and that it would be more appropriate to allow for the natural increase of the population only, with no more planned migration and a much stricter limit of (sic) the voluntary movement of people into the area. These views were endorsed by public reaction to the Draft District Plan published in 1979. In addition to being supported locally, the restraint policies of the Structure Plan have been upheld on a number of occasions by the Secretary of State for the Environment in his determination of significant planning applications at the appeal stage' (BDC 1982: para. 2.1.8).

The restraint policy has been operationalised by only allowing a level of employment growth sufficient to cater for the expected future population increase, given the predicted take-up of outstanding housing land by developers. This is largely controlled by ensuring that no land is allocated for industrial use, and encouraging existing firms to move to new sites where their present sites are too

¹⁸ Interview with Babergh District Council Chief Planning Officer.

¹⁹ Interview with Babergh District Council Chief Planning Officer.

small. Generally, the policy attempts to restrict further employment growth in Sudbury itself whilst encouraging the development of employment opportunities in smaller centres, including Glemsford. Estimates of future population for planning purposes are 'housing-led', constrained by the size of the existing stock in the area. According to the District Plan:

'It is felt ... that the starting point for consideration of the future level of population growth in the Sudbury area should be a pre-determined housing stock and then to estimate how people could be accommodated in it' (BDC 1982: para. 2.1.9)

The need for restrictions on large scale growth in the years to come is stressed in both the Sudbury District Plan and the Glemsford Planning Guidelines. Further development other than in the form of infilling within the existing built-up area of Glemsford is seen by the Glemsford Planning Guidelines as inappropriate (BDC 1983: para. 2.1.3). At the parish level this policy is implemented by use of a strict definition of the 'built-up area', outside which planning permission for most housing development will not be given. As the Glemsford Planning Guidelines argues, the 'boundary has been drawn to restrain further large-scale growth' (BDC 1983: para. 2.1.4).

However, this policy of restricting greenfield development is overridden when it comes to the provision of local authority housing:

'In fulfilling their responsibilities as a housing authority, the District Council may wish to build houses in the village. They will, wherever possible, acquire a suitable site within the defined built-up

area of the village. However, if this is not possible, the District Council will seek to identify a suitable site which is in scale and harmony with the village, does not affect it from the environmental, services, or highway viewpoints, or has no other physical planning constraints ... It should, however, be recognised that such a site would be outside the defined built-up area of the village ...' (BDC 1983: paras. 2.2.1 and 2.2.2).

This statement is noteworthy since it appears to go against the inbuilt pro-agriculture planning guidelines in the 1971 Town and Country Planning Act. This is perhaps not so surprising, though. Whilst the authorities realise that restraint on the private developer will mean that the 'housing role of the local authority ... is going to become increasingly important' (BDC 1984: para. 4.1), limitations on capital expenditure by local authorities after the mid-1970s, and in particular the 1980 Local Government Act (Duncan and Goodwin 1988), make large-scale local authority housing development highly unlikely and such statements of intent can perhaps afford to be optimistic.

It does, however, seem that there is a clash between this current policy of restraint, operating at County, District and local level, and the demands of at least some of the Glemsford population. Despite the job growth of the 1970s, recession has affected several of the local employers: there have been redundancies and short-time working in a number of Babergh factories. This has led to some demands for the attraction of new industry and more jobs into the area²⁰. This, of course, fails to fit in with the strict limits

²⁰ Interview with the Secretary of Suffolk Rural Community Council.

placed on industrial expansion in the Sudbury District Plan and Glemsford Planning Guidelines: 'In future employment growth in the Sudbury area will only be permitted to the extent needed to complement the committed growth in housing' (BDC 1982: para. 2.11.2).

Where does this pressure for restraint originate? Since the 1950s there has been a general dominance of party politics in West Suffolk by the Conservatives, with the Liberals emerging as a second force in recent years (Craig 1983, 1984; Crewe and Fox 1984). In Glemsford it appears that politics is organised less along party lines than on personalities and specific issues²¹. 'Independents' form an important force in the local parish council. So far the conservation issue has only been of limited importance. The main issues at the time of research were the construction of a new village hall and the up-grading of roads, with a certain amount of disagreement between the Parish and the District over access.

In the absence of such pressures from the Parish, we need to consider the origins of the restraint policies at the District level. Considerably more research would be needed to pin down with any accuracy the nature of political

²¹ This section relies on interviews with the Secretary of Suffolk Rural Community Council, members of the Parish Council and the Rural Community Council.

alliances behind such policies²², but we can nevertheless speculate on the type of alliance that may be present.

At District level there is little evidence of pressure from the farming lobby, although as we have noted above to some extent this industry has historically been protected within the planning system. 'Rural' land policy in the Sudbury District Plan has little to say on the preservation of farmland. While eleven pages of the report deal with 'conservation', six are on the built environment, four are on the landscape (with one sentence covering the impact of farming), and one page is on archeology. The Glemsford Planning Guidelines are more explicit inasmuch that the conservation of the local farmland seems to be the primary aim in the delineation of the built-up area boundaries. Furthermore, the statement re-emphasises the Suffolk Structure Plan policy of maintaining the undisturbed pattern of existing land uses outside built-up areas. Whether or not the Glemsford farmers have played any part in this is unclear. Whilst it is true that the District Council member for Glemsford is a retired Ministry of Agriculture officer, it is thought that none of the farmers were involved in the Council. This, of course, does not take into account any formal or informal lobbying that may take place. It seems that whilst some of the local farmers were clearly aware of the potential gains from selling land for housing

²² See Short *et al* (1986) and Barlow and Savage (1986) on Berkshire for examples of this.

development²³, the majority at the time of the survey were more concerned with the lack of land for *farming* purposes. This could well be the explanation underlying the local emphasis on development control, an emphasis which led the developer of the Silk Mill site to complain of the delays (seven years) stemming from planning permission and land assembly problems.

While there is clearly a certain level of tension over land availability between farmers and developers in Glemsford, is there also competition *within* the farming community? We have seen that technical changes on some farms have led an increased demand for land. Given the prevailing prices and the demand for land some of the farmers were experiencing difficulty in implementing their plans for expansion. One, who saw his minimum optimum size as 400 acres argued that 'the farmers are forcing up land prices without any help from the (financial) institutions'. The difficulties of expanding can clearly be seen from the increasingly fragmented pattern of occupancy in recent years, such that seven of the nine largest units had their land dispersed in more than one block. Only the smallest farms were able to work a single block of land. Several of the survey's farmers expressed a certain frustration at the impossibility of purchasing neighbouring blocks of land, and it was stated by

²³ According to the District Chief Planning Officer, 'If the Council wants to build a road over (their land) it is usually the most valuable field in the county. If they want to sell it for development, they usually argue you can't grow weeds on it'.

a local land agent that competition between neighbouring farmers could double the price of land. This premium *could* be one reason for the large amount of rented land in the Glemsford area, noted in Chapter 3.

While land prices on specific sales in the 1970s were lower than average, there had been an increase above the average by the early 1980s, and only two local farms had recently bought land. During the 1970s, though, most land sales in Glemsford did not follow the general trend towards fragmentation by vendor. The purchase of smaller blocks makes it easier for farmers to justify expansion, and maximises the vendor's sales revenue. This would mean that average land prices were perhaps lower than would otherwise have been the case. It would seem likely, therefore, that the large quantity of rented land is due to the problems of the availability of land for sale, rather than above-average prices.

4 CONCLUSIONS: POLITICAL CHANGE, THE MARKET AND LANDOWNERSHIP

Chapter 7 has attempted to reassess the reasons for some broad structural changes to capital-land relations at a macro-level and in Glemsford. We have now examined in detail the way the production strategies of the farming industry and the way housing development have changed since the mid-nineteenth century. This has indicated that much of the observed pattern of change cannot be explained solely by recourse to the role of landed property and rent on the accumulation process. Rent theory can therefore only provide

a partial explanation. Rather, it is necessary to draw on the political and social contingencies that have shaped the production and accumulation process. Landed property, for example, remained economically powerful into the late nineteenth century, but the farming industry's problems were at least partly due to the fact that its underlying structural problems could be hidden under the strong market. Similarly, the textile industry failed to innovate not because of the extraction of heavy rent payments by landowners, but because of its protection by the state. Market demand characteristics were also important in explaining the changing shape of nineteenth century housing provision. In the post-1945 period, state intervention has played a crucial role in setting the parameters for accumulation in both the housebuilding and agriculture industries.

However, it was also argued in the introductory chapter that locally-specific features can play a major part in explanations of structural change. In particular, it is necessary to consider the extent to which broad structural trends have been 'enabled' and 'constrained' by local agency. This is especially important when analysing the role of landownership in the economic changes to the housebuilding and agriculture sectors at the Glemsford level. How have the actions of local individuals shaped the pattern of events; what is the significance of changes to the accumulation strategies of capital as a whole; how have

the shifting central political alliances affected local political relations?

We have shown how the link between the ownership of industry and the ownership of farming was largely severed in the late nineteenth century. Up to the 1880s and 1890s the two sectors developed very much in tandem: for example, capital made in manufacturing industry was used to purchase farmland. In Glemsford the actions of a single individual (Henry Eaton) had a profound impact on the structure of property relations in the sense that he was the major property owner in the parish and clearly actions taken with respect to his holding would have had a disproportionate effect. This was exactly the case in the 1880s: the break-up of this single holding paved the way for the split between farming capital and industrial capital, and the growth of a more owner-occupier-based system of agriculture (although this did not really take hold until after the 1914-1918 war).

How important were *local* class relations and *local* accumulation problems in providing the context for this split? The farming economy in Glemsford was probably suffering as much as any other arable area during the depression, and the specific mix of industry in the parish meant that the economy was in decline from the 1880s on. Possibly as important though was the history of industrial unrest in the parish. In the case of farming, this occurred in an industry that was for many years extremely profitable

and significantly there was no recorded strike action once the depression began to bite. The context for struggle in the manufacturing sector of Glemsford - more precisely the mat-making industry - was one of decline and faltering accumulation, although again wages were the issue. Finally, the 1885 election formed the backdrop to a rather different type of conflict, a local reaction to the extension of political franchise.

But whilst specific to Glemsford, these conflicts arose through mechanisms much more complex than simply the pattern of local capital accumulation. Much of the farm labourers' action, for example, was rooted in the knowledge of the similar activities common to many rural areas at that time. Nor were the shifts in the structure of property ownership solely the result of local class and social conflict. This had much to do with the general developments in the economy: the problems in the coir industry initially stemmed from the introduction of cheaper prison labour and later from changes to the spatial division of labour such that hitherto undeveloped tropical countries began to take over production. Of course, this is not to deny that both labour and capital in Glemsford attempted to take action to prevent this: as we have seen protests were made to local MPs over the use of prison labour. (Just as local capital played its part in overcoming the effects of the previous shift in the spatial division of labour by building an 'advance' factory: see Chapter 5). Nevertheless, local agents appear to have generally played very much a responsive role.

In contrast, by the 1960s, manufacturing industry had been almost totally uncoupled from local ownership. Farming was largely owner-occupied and was a sector in which accumulation proceeded autonomously. The growth of manufacturing and service employment probably had little to do with the actions of Glemsford individuals (we do not know of their role in planning decisions during the period of maximum economic growth).

The second important area of change was in the system of housing provision. The growth and decline of landlordism (which had much to do with the general economic depression of the late nineteenth century), and the post-1945 expansion of owner-occupation are the dominant features in both the history of housing in Britain as a whole and specifically in Glemsford. As with the development of the local economy, the position of Glemsford agents becomes less tangible as the nature of the social relations of housing provision changed. As the planning system began to intervene in the housebuilding process, especially after 1945, and as the structure of the building industry moved from the nineteenth century 'estate developer' towards one polarised between large speculative developers and small (mainly contract) builders, the impact of individual developers in Glemsford lessened. Most important today is the role of the landowner in the supply of land for housebuilding and the degree of influence of different groups on the planning system. In Glemsford, as suggested above, certain individual landowners

have been involved (not always successfully) in the local housing provision process, but in terms of influence on planning decisions it seems that whilst there may be a relatively strong preservationist lobby and whilst local builders may gripe about lack of development land, much of the impetus comes from outside the parish.

It seems, therefore, that as we move through the period of study, local agency has perhaps been 'constrained' by broader structural trends. Certainly in the case of the formation of local planning policy, the political structure of the Parish itself is of only marginal importance. And, of course, manufacturing industry, being mainly externally owned and controlled, has almost autonomous power over large areas of economic life. In the next chapter we will reconsider the aims of the thesis in the light of these findings.

CHAPTER 8

LANDOWNERS AND LOCALITY. CONCLUSIONS

The three aims of this thesis are to (1) examine the role of landownership in economic restructuring; (2) assess the utility of marxian rent theory; and (3) consider the extent to which the capital-land relation forms an element structuring 'locality'. The conclusions re-examine these questions in the light of the preceding analysis, and suggest how far the thesis has furthered an understanding of these issues.

1 LANDOWNERSHIP, RENT AND SOCIAL CHANGE

We have now drawn together the existing research to build a comprehensive picture of the changing role of land in three major land-using industries - agriculture, housebuilding, manufacturing - since the mid-nineteenth century. In Chapter 2 we saw that the essential condition for the appropriation of rent within a particular sector of production was the pre-existence of a social group of landowners, separate from capital. However, the extent to which rent is present and itself represents a problem for accumulation in any given sector depends largely on the locational requirements of the sector in question. Some of the potential strategies for accumulation (and possible struggles between landowners and capital) were outlined. The remaining chapters went on to consider the reality of these strategies in England as a whole and in the case study area, Glemsford. Emphasis was

placed on the plurality of forms of accumulation that have *actually* existed during the last century or so of British capitalism.

To what extent has rent theory been able to illuminate our understanding of these changes? In all three sectors certain features of the pattern of accumulation were theorised, such as the rise in owner-occupation in farming or the changing role of landownership for the housebuilding industry. We also discussed the relationship between rent, production prices, productivity and output price levels. We concluded in Chapter 6 that in both the agricultural and housebuilding sectors the circumstances under which production occurs vary considerably. This implies that the relationship between landownership form, rent, productivity and prices is also inconsistent: other factors intervene, such as those relating to the character of the market for the product, intervene. This was, for example, shown to be the case in the agricultural industry in the post-1945 period as increasing levels of state intervention and the entry of Britain into the EC altered the conditions of production. Likewise, the private sector housebuilding industry has also seen shifting market conditions during the period after 1945 resulting from the changing form of state intervention. Rent theory was shown to be relatively unsuccessful in its ability to explain the specific features of these changes. This also applies to our explanation of changes in the textile industry. Its lack of innovation, for example, as well as the shift in its spatial division of labour were

seen to originate more in prevailing market and political features than in problems arising from the extraction of rent by landowners.

Because rent theory could only point us towards some of the *potential* features of change in each sector, it was necessary to take a political economy framework in order to consider the more historically contingent events. This was the subject of Chapter 7, where we examined the changing economic and political role of landownership in Glemsford as well as at the aggregate level. In the farming industry it was argued that a coherent social group of agricultural landlords declined in importance in the late nineteenth century as relations between different blocs of political and economic power shifted. This paved the way for new production strategies in the industry, the intensification of production through technical innovation, as well as the growth of state support in the post-1945 period. In recent years competition amongst farmers for land, increasing yields and the presence of heavy state subsidies have underpinned the substantial rise in land values. The farmers of Glemsford have not escaped these trends: it was clear that the actions of farmers in this area were constrained by the wider structural conditions of the industry.

In the provision of housing the nineteenth century role of landowners has also left a legacy which shaped the way housing is provided today. Essentially, the persistent lack of control over land values and absence of any lasting land

taxation policy have meant that the housebuilding industry has taken a characteristic form, with relatively low productivity in the *building* process itself, and profits being made partly from land speculation. In nineteenth century Glemsford investment in housebuilding (and farmland) was an important channel for profits originating in the manufacturing sector. The fortunes of local manufacturing capitalists were particularly important in shaping the *local housing* system. Today, with most housing being built speculatively, access to potential development land is of crucial importance in influencing the rate and location of new private sector housing, although the strengthening of the planning system has diluted the role of landowners as initiators of development.

The thesis has also shown how the economic role of landownership in 'rural' areas has changed. We have seen that *farm* employment decreased massively, to be replaced by manufacturing and/or service employment. While some manufacturing jobs may be agricultural-based (in the form of food processing, the manufacture of agro-chemicals and farm equipment) the ownership of agricultural property is of relatively limited importance in the economic structuring of such areas, although farming still retains a social and cultural role as Newby *et al* (1978) show. The declining importance of agriculture is being reinforced by the growing subordination of land in the food production process. The dominant cause of changes to the economic structure in rural

areas are therefore the restructuring of the workforce through shifts in spatial divisions of labour, in which farming now plays very little part. Glemsford has not escaped these trends, with a steady decline in farm-based employment.

Nevertheless, the local character of landownership can play a part in shaping these broad structural trends. In recent years, in Britain as a whole, there has been a rapidly increasing 'rural' population. It is at this stage that landownership can intervene in social stratification, thereby shaping local social processes and 'locality'. Landownership, and in particular the ownership of land for housing development, potentially plays an important part in the social and economic structuring of a given locality through its influence on the character^a of housebuilding. But this depends on the *specific circumstances of the given locality*, particularly on the nature of the relations between manufacturing capital, housebuilding capital (does it possess a local landbank?), farmers (do they have potential development land?; to what extent does intra-farm competition for land drive up prices?), and the local state. Only by examining *specific cases* can the nature of this intervention be seen. In the Glemsford case, as we have seen, land sold by farmers to speculative developers, coupled with a limited public housing provision, has influenced the shape of the local housing stock.

2 THE CAPITAL-LAND RELATION AND 'LOCALITY'

What are the implications of this analysis for our understanding of 'locality'? It was argued in Chapter 1 that so far most 'locality research' has emphasised the uniqueness and complexity of different places, and that there have been few coherent attempts to place the *reasons* for local specificity into the wider context of historical change. The questions to consider now are therefore the way the chosen case study demonstrates the relationship between structural features and empirically specific agency: how and why is Glemsford similar to and different from to the general processes we have discussed? How have the general processes discussed above been materially constituted in Glemsford? How has this multiplicity of local practices interacted with these trends to distinguish Glemsford as a locality?

Our argument that the actual picture of change cannot be predetermined because of the importance of understanding the contingencies of history suggests that to understand the particular shape of the capital-land relation at a local level it is essential to consider the relationship between structure and agency. It is clear that the effect of agency on the form of social change is one dimension of the broader question of 'locality'. Structure and agency are essentially two sides of a coin: each creates the other. While structure pre-exists individuals, it is dialectically bound up with agency. The relationship is asymmetrical, though: structure represents the medium through which action is produced,

although in part it is also a product of that action. It performs, in other words, both an enabling and a constraining role. Society therefore comprises *relations* between people and cannot exist without people; yet the effects produced by those relations cannot be reduced to the actions of individuals. It is important to avoid explaining the actions of individual agents either in 'behaviourist' terms - seeing society in a voluntarist or idealist way as the outcome of unconstrained and asocial individuals' wills - or taking the other extreme, writing-out individuals' behaviour altogether by reducing explanation to the all-encompassing 'class struggle'. We need to be able to say which of these effects are due to the fact that these landowners are *Glensford* landowners, which are due to the fact that they are *British* landowners, and which are because they fall into the conceptual category of 'landowners'.

During both the nineteenth and twentieth centuries local class relations in Glensford appear to have largely been constrained by existing structural conditions. The actions of local social agents were to a significant degree the product of wider forces, although clearly these actions had both intended and unintended effects which shaped the parameters for future conduct locally. Whilst there *may* have been some degree of local autonomy in local action in the period from 1840 to 1945 (i.e. before the establishment of a comprehensive planning system), the greater level of separation of political and economic control from the local

population is perhaps reducing the 'agency effect' in Glemsford today.

Did the nature of property relations give Glemsford a unique 'stamp', though, providing the parish with a set of distinct local social processes? We have seen that pure landed property in Glemsford *never* had a particularly distinct role in the economic affairs of the parish. In this sense, then, the history of Glemsford is somewhat different from that of England as a whole, with the *absence* of this social object giving the parish a certain distinctiveness. The years since 1945, however, have seen the erosion of this distinctiveness: the establishment of a comprehensive planning system and the growth of large scale manufacturing capital has meant that the dynamic of the main production sectors and the changing relations of property ownership in Glemsford have paralleled those of Britain as a whole. Landownership is now largely important in terms of directing the location of new development, although this is essentially led by *external* structural forces.

The important point to stress, therefore, is that on the one hand Glemsford has had an 'unique' history in relation to the general picture because of its history of property relations; on the other hand, though, the parish has followed the 'average' - 'aggregate' - history. This is perhaps increasingly the case today, given the emergence of a commodity-based agricultural system tied to wider markets and a housing provision system driven only to a limited

extent by 'local' practices. Of course, nineteenth century class relations were ultimately constrained by structural conditions, but today, as political and economic control has become separated from the local population, we can, perhaps, distinguish a decline in the agency effect. Structural processes dominate, and to some extent Glemsford must be seen as 'just another rural parish'.

What does this imply for our understanding of 'locality'?

We have discussed the changes to the agricultural, housebuilding and manufacturing industries in terms of:

(1) structural economic trends, based on abstract, theoretically-derived relations, emerging by virtue of the changing nature of production relations in each sector, the relationship between sectors, and the position of the British economy in global capitalism.

(2) the class and socio-political shifts associated with these economic processes.

It has been argued that in order to fully understand the reasons for structural processes in the specific empirical context we need to pay special attention to the political and social changes which surround the structural shifts. Furthermore, it was argued that at the Glemsford level of analysis, *agency* becomes a key dimension. This suggests that structural processes can be – and indeed are – modified by locally-specific characteristics. Whilst the operation of the law of value is the all-embracing feature of capitalism,

in combination with a legacy of locally-specific, contingent features it produces uneven outcomes. As argued above, it is through the study of *specific* cases - whether at the scale of 'Glensford' or 'Britain' - that this aspect of social change is best viewed.

From the study of Glensford in its wider context it seems to me that we can therefore view locality in terms of two interacting dimensions. The first takes the form of the *general structural* forces. The uneven way capitalist accumulation takes place, via the changing spatial division of labour, clearly means that there is a structural potential for the existence of locally-specific social processes. However, there is a reciprocal relationship between spatial variations in local social structure and the processes of capitalist development, and it is important to avoid explaining local social change as a 'top-down' process. In other words, the potential for the spatially-uneven development of capitalism both causes and stems from the existence of local variations in social structure. And as we have already seen, forms of landownership potentially play a part in the structuring of class relations.

The second axis is therefore *social agency*. On the one hand this is both enabled and constrained by the general structural trends and on the other hand, as we saw in the previous chapter, it 'feeds' into the general trends. Chapter 7 discussed in some detail the specific features of agency in Glensford, the 'active' dimension of the parish's

social relations and I would therefore argue that one way in which a unique and locally-specific stamp is imparted on a given location is via the action of social agency. This, therefore, represents the constitution of structural process 'on the ground', as modified by local social conditions. It can thus be regarded as structural change *unique to a particular place*, contingent upon the interaction of structure and agency in that location.

In a sense this second axis of locality must be seen as a 'spatial effect', distinguished by the fact that it cannot be 'read off' from the general structural trends because it is dependent on the presence or absence of particular social objects in the given location. By this I mean that whilst we can to some extent predict the potential boundaries of relevant causal social processes, whether they actually exist in a specific place cannot be pre-determined. We can say, for example, what will be the likely responses of British farming to the existence of private landowners, but simply being aware of this does not allow us to extrapolate whether or not these are *actually established* in Glemsford. Likewise, an understanding of the way the spatial division of labour in the British textile industry changed during the early nineteenth century does not *a priori* allow us to make statements about its changing role in Glemsford. Local capitals have their own internal dynamic due to the changing structure of capitalism in that particular sector of production, but this is also 'warped' by local agency. In many ways, as we have seen, the process of social

structuration in small communities - at a localised level - is very different from that operating nationally or internationally: agency becomes increasingly important the smaller the community.

3 SOME IMPLICATIONS FOR FURTHER RESEARCH

Two all-embracing trends in capitalism today are perhaps the generalisation of social processes and the changing spatial structure of capital under the imperative of competition. Associated with these developments are changes to the control over space by different social agents. Struggles over the use of land will evolve as its role in the production process is reconstituted.

It is empirically important to reconsider the role of land in agriculture and housebuilding because of the significance of these industries, as major land users, for land use planning. For both, land is an integral part of the production process but represents a major, possibly the major, single input cost. Housebuilders frequently see the planning system as a hinderance to the success of their operations, hence the periodic extensive lobbying campaigns to 'free' the system. While the agricultural industry has been successful in securing tax and legal advantages over landownership, competition amongst individual farmers for land can have significant adverse effects on land prices in given locations. More generally, there is the paradox that rising productivity and success in obtaining state financial support have led to rising land values.

Housebuilders and farmers are also frequently in competition for the same land, reinforcing potential conflicts *within* the farming industry between those farmers with potential development land and those without; and between the 'national farm' (in its guise as the National Farmers Union) and individual farmers selling-off good quality land to housebuilders. This tension emerges especially in the form of NFU concern at Structure Plan enquiries over the implications of urban development for land *retained* in agricultural use through the 'spillover' effects of housebuilding: the degradation of the green belt, the fragmentation of farms, trespass, pollution, and so on.

We have re-examined some problems surrounding land use and land availability by the two major land-using industries and have seen how the changing role of land has shaped socio-political tensions. These are likely to increase in the future as land begins to take a back seat in the agricultural process, the spatial division of labour shifts, and as new and competing uses for 'rural' land emerge. In the 1980s, we have seen the resurgence of political tensions over land use. More work is required to outline the dimensions of possible conflict between other competing land uses, such as the leisure industry. But the emphasis of such work must be placed on the *control* and *ownership* of land, and on its role in the production and accumulation process in given economic sectors.

* * *

Finally, to end on a more theoretical note a much clearer understanding of social and spatial relations is required in order to describe the effects of structural changes on populations 'on the ground'. A number of theoretical problems remain, though. First, there is still much confusion over the way space and social process interact, and over the nature of 'locality' as a representation of empirical uniqueness. This thesis has attempted to extend our knowledge of such changes by pointing out the possible spatial relations of restructuring in major land-using sectors. Further detailed analysis is needed, though, both in terms of local and sectoral case studies. A second problem is the extent to which we can generalise from the study of the interaction between general processes and contingent phenomena. It is therefore important to examine what features derive from general factors and what features derive from local phenomena. More comparative work is therefore essential.

APPENDIX 1

SOURCES OF INFORMATION

The primary information presented in the thesis falls into two main categories:

- (i) information on property ownership: the ownership of land and housing property, and the occupation of farmland; information on wealth, death duties and probate; and information relating to the history of particular families - age of members, size, relationships, etc.
- (ii) background information on the changing local economy and social structure.

1 LAND AND PROPERTY

The problem was essentially one of uncovering not merely which 'blocks' of property had changed hands, but why they had done so. It proved less difficult than anticipated, although laborious and time-consuming, to produce a detailed picture of the changes in land and house ownership in Glemsford over the last 150 years. The second question was much harder, and required a complicated and lengthy investigation of the various individuals involved. For many of these characters there remains no record other than a name in the Tithe list or the Census Enumerator's book, but for others there is a wealth of documentation. This has been indicated in the text. By process of elimination and much cross-referencing between this documentary evidence and the following sources, the complex tapestry of property transactions was unravelled. The main sources of information

on land and property ownership were the following:

(i) Ownership and occupancy:

Two sources were invaluable in providing basic information: the Tithe Register (TR) of the parish, dating from 1840, and the Register of Duties on Land Values (IRLV), undertaken by the Inland revenue for the Liberal Government about 1910. The Glemsford TR had also been ammended (described in the text as 'ammendment'), probably around 1860, to indicate transfers of land between owners during the intervening years. The TR is available for public inspection in the Suffolk Records Office, Bury St. Edmunds (SRO: HA 505/3/68) and the IRLV at both the SRO and the Public Records Office (PRO) (IL 501/1/27). Whilst each register provides slightly different information, both indicate the owner and the occupier of the various blocks of land at each date. In the case of the TR, this is for each parcel or heridatment in the parish, which allows a 100 per cent picture of ownership and occupancy to be constructed. Whilst the IRLV is as comprehensive in its coverage, it does not allow the researcher to 'map' the spatial distribution of ownership or occupancy since it amalgamates each owner's spatially-contiguous parcels into a single entry on the record. It does not, in other words, allow the boundaries of each holding to be delimited. This was a problem only insofar as it meant that supplementary work was needed to establish the details of certain transfers of property, and the smaller holdings often could not be traced.

Paradoxically, it was more difficult to obtain recent information (i.e. after about 1945) on landownership/occupancy. The most fruitful method was simply to interview the current occupiers who were almost always able to provide a reasonably detailed history of their farm, and to corroborate my findings.

The following sources were also important for establishing the history of ownership and occupancy:

- trade directories: *White's Directory of Suffolk* (1844, 1855, 1874); *Kelly's Directory of Suffolk* (1908, 1912, 1922, 1925, 1929, 1933, 1937) and the *Sudbury and District Directory and Almanack* (1962) provide reasonably comprehensive information on the occupancy of farms (and occasional details of ownership). (All these are at the SRO).

- the Census Enumerators' Forms: these showed the occupier of various farms and frequently details of the acreage and number of employees for each census between 1841 and 1881. These are available at the SRO and at the PRO.

- Register of Electors: this was checked at approximately ten year intervals from 1842 to 1915 since it listed property owners in the parish. It was the most important source of information on housing landlords for the years between the TR and the IRLV, although it rarely gave any idea of the size of each holding and, of course, women were excluded.

- the 'New Domesday Survey' (1873) and Bateman (1878): these two surveys were only useful in providing general background information on the size of landowners' total holdings. Their limitations are discussed in Chapter 3.

- other documentary evidence: title deeds were available for some of the farms at certain dates, as were details of sales. The Kentwell Hall estate is extremely well documented (KHR in text). All these are available at the SRO.

Documentary sources have been indicated in the text.

Turning now to housing ownership it must be said that only sketchy information existed on this topic. The TR and IRLV provide the only complete lists of landlords, but some further details can be gained from the Register of Electors, since entitlement to vote (for men) rested on the property qualification. After this date, however, very little data was available until the 1971 and 1981 censuses which, of course, list the aggregate distribution of the housing stock amongst various tenorial classes.

(ii) Wealth:

The Death Duty Registers, kept at the PRO, provided the best information on the wealth of the various individuals. After 1853, when succession duty was first imposed, payable on the 'gratuitous' acquisition on death of all property worth over £100, a reasonably complete record of all grants of probate and administration is available. Before that date the fact that real estate was excluded unless it was sold, together with a number of other provisions, make the

registers less comprehensive. Their major importance here was to provide an approximate value of the total property of landowners, farmers and manufacturing capitalists. They also provided corroborative evidence on the beneficiaries of the will so that property transfers could be traced. However, in practice it was only possible to obtain these details for some individuals since it would have been too time-consuming to trace individuals' records without their dates of death. Others left too little property to be subject to Death Duties. A further limitation is that the Registers are also closed to public inspection after 1906.

(iii) 'Family' information:

The census enumeration forms (PRO and SRO) provide some details of the members of the farmers' and other families. This was useful in establishing whether the farm had been passed on to children. By looking at the age of the individuals and their relationships the approximate date of death and transfer of land could be estimated, which could then be supplemented by information from the Death Duty Registers.

2 EMPLOYMENT STRUCTURE

Even in the recent censuses it is not possible to gain a completely accurate picture of the changing pattern of employment at parish level, given the unreliability of the 10% sample in the Census and the limited number of years for which data is available at this level (1921, 1931, 1971 and 1981). Paradoxically, one can in fact obtain more detailed

information from the censuses before 1881. This is because it is possible to consult the census enumerators' forms, so that information on each household can be obtained. This was the approach used to chart the progress of capitalist production relations and its effects on the labour force of the village. Although it involved examining the details of some 10,000 persons present during the four censuses between 1841 and 1881, it provides the most accurate data on employment (and on other areas of interest) possible. Other information came from the Glemsford Census Returns (1841, 1851, 1861, 1871, 1881) and the more recent censuses. For recent years the Censuses in 1921, 1931, 1971 and 1981 provide parish-level employment and socio-economic data (on a 10% sample basis for the last two censuses). While this data is only partially satisfactory, further information was obtained by interviewing a number of key individuals (see Appendix 2).

APPENDIX 2

DETAILS OF INTERVIEWS

A series of structured interviews, generally lasting about an hour, with various 'key agents' was undertaken to provide additional information. The interviewees were selected because of their important role in the local economy. The group comprised the following:

1 FARMERS

Fifteen farmers (i.e. all farmers located in or with land in the parish except one), who were interviewed during autumn 1982 and spring 1983. The interviews were on the history of the farm and its land to verify and supplement the archive material, and on the details of the existing business and its organisation. All quotations by farmers are from these interviews.

The following farmers were interviewed: Mr. Browne (Court Farm), Mr. D. Chaplin (Newstreet Farm), Mr. C. Flux (land in parish, ex Clockhouse Farm), Mr. L. Ford (Park Farm), Mr. G. Game (Grove Farm), Mrs. P. Kiddy and Mr. M. Kiddy (Hill Farm), Mr. K. Laflin (land in parish, ex Churchgate Farm), Mr. P. Miller (land in parish, ex Clockhouse Farm), Mr. A. Pawsey (manager at Trickett's Farm), Mr. D. Pittendrigh (Mill Hill Farm), Mr. Robbett (Lays Farm), Mr. P. Russell (Willow Farm), Mr. B. Rush (Skateshill Farm), Mr. R. Seabrook (land in parish, ex Place Farm), Mr. F. Smith (manager, Lodge Farm)

FARMERS' INTERVIEW QUESTIONS:

- (1) How many acres is this holding? Could you please indicate the boundaries on the map.
- (2) What type of farm is it?
- (3) What are the acreages of the various crops?
- (4) Do you see yourself as a full-time or as a part-time farmer?
- (5) Do you have any other business interests apart from the farm? If so, what are they and how significant are they to you (in monetary terms, attachment, time etc.)?
- (6) What were your previous jobs before you arrived at this farm (where, when)? If previously a farmer, how big was the farm, were you an owner-occupier?
- (7) How did you originally come into farming?
- (8) How was this farm acquired (inherited, marriage, purchased)?
- (9) How much land has been acquired from: previous occupier/owner, landlord, inherited?
- (10) IF FARM INHERITED: were parents (etc.) owner-occupiers or tenants? If tenants, who was the landowner?
- (11) IF ACQUIRED THROUGH MARRIAGE: was spouse or spouse's parents owner-occupiers or tenants? If tenants, who was the landowner?
- (12) IF FARM BOUGHT OR RENTED: where did the capital to start farming come from?
- (13) You said your farm was _____ acres. How many are rented and how many do you own? Do you let out land to anyone else?
- (14) IF ALL LAND OWNED: is your land fully-owned or do you have a mortgage or similar arrangement? (specify details).
- (15a) IF SOME LAND RENTED: do you see yourself as mainly an owner-occupier or mainly a tenant? Could you please indicate where your rented and where your own land is on the map.
- (15b) Do you have any objection to letting me know who your landlord is?
- (15c) What type of landlord is that? (specify details).

(15d) What are the terms of your lease? (restrictions on crop rotation, length etc.)

(15e) How much is your annual rent and how often is it reviewed? When was it last reviewed?

(15f) Would you rather own your land or rent it? Why?

(16) IF SOME LAND LET OUT: you let _____ acres. Do you mind telling me who your tenants are?

(17) ALL FARMERS: are you the sole owner/tenant or are you in partnership?

(17a) IF IN PARTNERSHIP: who are the partners?

(17b) Do they take an active part in the management?

(17c) How are the profits distributed?

(18) ALL FARMERS: is the farm business a limited company?

(18a) IF YES: what is the share capital and how are the shares distributed?

(19) How many people are normally employed on the farm? Are they family? Full-time/part-time? How much time does your spouse spend on farm work?

(20) Could I ask you a few questions about your produce. How sensitive are you to changes in the market for you produce?

(21) Since you began farming here, have you introduced any innovations or important changes into the management and/or husbandry of the farm?

(21a) IF YES: what, why and when? (response to economic changes?)

(22) If you were able to expand the size of your farm, would you do so? What would be the ultimate efficient size?

(23) Where do you sell your output? Do you have a contract with a company like Bird's Eye or Ross Foods?

(24a) IF HAS CONTRACT: how much control do they exert over your farming practice?

(24b) IF NO CONTRACT: would you consider doing so?

(25) Could you give me an idea of the approximate annual turnover of this farm? Has this increased or decreased recently?

(26) IF FARMER HAS OTHER BUSINESS INTERESTS: roughly what

proportion does this farm form of your total business turnover?

(27) ALL FARMERS: do you think the trend towards greater ownership of farms by financial institutions is beneficial to the farming industry?

2 OTHER INTERVIEWS

A number of interviews were conducted with the major local employers (either with the managers, managing directors or owners); a local builder/developer; a major local land sales agent; and four planning officers, both at district and county level. The interviewees were as follows:

Rev. C. Lawson (Glensford), Mr. R. Deeks (Glensford Parish Council), Mr. J. Dunlea (Bush Boake Allen Ltd), Mr. M. Evans (Mid-Suffolk District Council Planning Dept), Mrs. P. Gibson (Suffolk Association of Local Councils), Mr. N. Greig (Suffolk County Council Planning Dept), Mr. W. Hargreaves (Suffolk Rural Community Council), Mr. J. Piper (Glensford Silk Mills Ltd), Mr. D. Roger-Brown (E.W. Downs and Son), Mr. D. Slater (Glensford), Mr. P. Stone (Cannon Rubber Ltd), Mr. G. Swain (Chief Planning Officer, Babergh District Council Planning Dept), Mr. B. Whittaker (Arnold and Gould Ltd), Mr. J. Williams (Suffolk County Council Planning Dept),

These structured interviews were designed to provide information on the nature and organisation of the local economy, and on contemporary land and planning conflicts. The questions were on the following issues:

PLANNERS:

- (1) Population and employment growth in the area: recent changes, effects etc.
- (2) Planning issues: development/ housebuilding pressure, agriculture and conservation, land prices
- (3) Local government and political representation: relationship between different levels, conflicts, parish councils, local organisations
- (4) Future trends: population, housing, employment

RURAL COMMUNITY COUNCIL and SUFFOLK ASSOCIATION OF LOCAL COUNCILS:

- (1) Role, relationship with parish councils, local groups, who represented, how recruited
- (2) Current issues: agriculture/conservation, housing development

MANUFACTURING INDUSTRY

- (1) Workforce: current number of employees, whether predominantly local, change in size over time, male/female, full-time/part-time
- (2) Products, suppliers, markets
- (3) History of firm in Glemsford: when arrived, why Glemsford, how site acquired, whether intend to expand or move

HOUSEBUILDER

- (1) Current and past developments in Glemsford: where, when, type of housing, price
- (2) Other developers in area: details
- (3) Land availability and pricing

APPENDIX 3

PRODUCTIVITY AND PROFITABILITY OF GLEMSFORD FARM BUSINESSES

While it is hard to obtain a detailed picture of the farm business' turnover and profits, we can nevertheless make some estimates, based on information from the survey. The seven large grain farmers have an average operation of 687 acres and an approximate 'size' of 1171 standard man days¹. We can estimate the turnover and income of a hypothetical Glemsford grain-based farm of 600 acres, with half its land inherited and half rented at £50 per acre per year². We will also assume that this farmer employs two full-time labourers and the land is devoted equally to wheat and barley.

Taking per acre input costs first, these would be about £80 for seeds, chemicals and fertilisers; perhaps £35 for fuel; £35 for labour (including the imputed cost of one family member). Capital depreciation is more difficult to estimate - one farmer put this at £15 for his combine harvester alone - but we have assumed total depreciation is about £20 per acre. Such a farmer could expect to produce a yield of around 2.5 tons of wheat per acre and 2.25 tons of barley, and sell these crops to merchants for, say, £125 and £115

¹ That is, one employee working for 300 days. This meant that the 'average' farm in Glemsford was typical of medium to large East Anglian grain-based operations. In the 1983 this would have placed these farms in the top 2 per cent in terms of size, when compared to the national average (only 1.9 per cent of arable farms were over 300 ha. or 741 acres). According to MAFF's farm income estimates for predominantly cereal farms, a farm of 1200 smd would be regarded as large in size.

² All estimates are in 1982 prices.

per ton. Tax has been estimated at 25 per cent of gross income. From the table below, it can be seen that the input and output costs of such a farm are broadly comparable with the MAFF estimates for large, eastern England cereal farms (MAFF 1986):

	Glensford	MAFF
Size (acres)	600	642
Expenditure and income (£ per acre):		
<i>Output</i>		
total	(286)*	316
(from crops)	(286)	233
<i>Input</i>		
total	195	248
(crop costs*)	80	81
<i>Net income</i>	68	67

* no sources of income other than from cropping are assumed
 * seeds, fertilisers, crop protection etc.

REFERENCES

Aaronovitch, S.; Smith, R.; 1981: *The Political Economy of British Capitalism*. London: McGraw-Hill.

ADAS 1981: *Agricultural Land Prices in England and Wales, 1979/80*. Agricultural Development and Advisory Service. London: HMSO.

Aldcroft, D. and Richardson, H. 1969: *The British Economy 1870-1939*. London: Macmillan.

Allen, J. 1983: 'Property relations and landlordism - a realist approach'. *Society and Space* 1(2), 191-203.

Allen, J. and Massey, D. (eds.) 1988: *The Economy in Question*. London: Sage Publications.

Ambrose, P. 1976: 'The land market and the housing system'. *University of Sussex Working Paper in Urban and Regional Studies* No. 3.

Ambrose, P. 1986: *Whatever Happened to Planning?* London: Methuen.

Ambrose, P. and Colenutt, B. 1975: *The Property Machine*. Harmondsworth: Penguin.

Ball, M. 1977: 'Differential rent and the role of landed property'. *International Journal of Urban and Regional Research* 1(3), 380-403.

Ball, M. 1978: 'British housing policy and the housebuilding industry'. *Capital and Class* 4, 78-99.

Ball, M. 1980: 'On Marx's theory of agricultural rent: a reply to Ben Fine'. *Economy and Society* 9(3), 304-326.

Ball, M. 1981: 'The development of capitalism in housing provision'. *International Journal of Urban and Regional Research* 5: 145-177.

Ball, M. 1983: *Housing Policy and Economic Power*. London: Methuen.

Ball, M. 1985a: 'The urban rent question'. *Environment and Planning A* 17: 503-525.

Ball, M. 1985b: 'Land rent and the construction industry'. In Ball et al (1985).

Ball, M. 1988: *Rebuilding Construction. Economic Change in the British Construction Industry*. London: Routledge.

Ball, M.; Bentivegna, V.; Edwards, M.; Folin, M. (eds.) 1985: *Land Rent, Housing and Urban Planning. A European Perspective*. London, Sydney, Dover: Croom Helm.

Barlow, J. 1988: 'A note on biotechnology and the food chain. Some social and spatial implications of changing production technology'. *International Journal of Urban and Regional Research* 12(2): 229-245.

Barlow, J. 1989a: 'Regionalisation or geographical segmentation. Developments in London and South East housing

markets'. In Congdon, P. and Breheny, M. (eds.) *London Papers in Regional Science. Growth and Change in the South East*. London: Pion.

Barlow, J. 1989b: 'Landowners, developers and planners. The origins of house price inflation in a British growth region.' *University of Sussex Urban and Regional Studies Working Paper*.

Barlow, J. and Savage, M. 1986: 'The politics of growth: cleavage and conflict in a Tory heartland'. *Capital and Class* 30, 156-182.

Bartlett 1980: Proceedings of the First Bartlett Summer School. *Bartlett School of Architecture and Planning*. London: University College.

Bartlett 1981: Proceedings of the Second Bartlett Summer School. *Bartlett School of Architecture and Planning*. London: University College.

Bateman, J. 1878: *The Great Landowners of England and Ireland*. (2nd. ed.). London.

BDC 1982: *Sudbury District Plan. Written Statement*. Babergh District Council.

BDC 1983: *Settlement Policy Planning Guidelines. Glemsford*. Babergh District Council.

BDC 1984: *Housing Investment Programme: Strategy Statement*. Babergh District Council.

Best, G. 1971: *Mid-Victorian Britain, 1851-1875*. London: Weidenfeld and Nicholson.

Blaug, M. 1961: 'Productivity of capital in the Lancashire cotton industry during the nineteenth century'. *Economic History Review* XIII.

Boddy, M. 1980: *The Building Societies*. London and Basingstoke: Macmillan.

Body, R. 1982: *Agriculture: the triumph and the shame*. London: Temple Smith.

Bover, O.; Muellbauer, J.; Murphy, M. 1988: 'Housing, wages and UK labour markets'. *Centre for Economic Research Discussion Paper* No. 268 (London).

Bowers, J. and Cheshire, P. 1983: *Agriculture, the Countryside and Land Use. An Economic Critique*. London: Methuen.

Bowley, M. 1966: *The British Building Industry*. Cambridge: Cambridge University Press.

Bradley, T. and Lowe, P. (eds.) 1984: *Locality and Rurality. Economy and Society in Rural Regions*. Norwich: Geo Books.

Bruegel, I. 1975: 'The marxist theory of rent and the contemporary city: a critique of Harvey'. In PEHW (1975).

Burrell, A.; Hill, B.; Medland, J. 1984: *Statistical Handbook of UK Agriculture*. London: Macmillan.

Buttel, F. and Newby, H. (eds.) 1980: *The Rural Sociology of the Advanced Societies*. Montclair: Allanheld and Osmun.

Byrne, D. and Damer, S. 1980: 'The state, the balance of class forces, early working-class housing legislation' in PEHW (1980).

Cairncross, A. 1953: *Home and Foreign Investment 1870-1914*. Cambridge: University Press.

CAS 1983: '*Agriculture: the triumph and the shame*'. An Independent Assessment. University of Reading Centre for Agricultural Strategy.

CEC 1981: 'Factors influencing the ownership, tenancy, mobility and use of farmland in the UK'. *Commission of the European Communities: Information on Agriculture* No. 74.

Chapman, S. 1969: 'Fixed capital formation in the British cotton manufacturing industry'. In Higgins and Pollard (1969).

Clark, E. 1986: 'A critical note on Ball's reformulation of the role of urban land rent'. *Environment and Planning A*, 19: 263-267.

Clark, E. 1987: *The Rent Gap and Urban Change. Case Studies in Malmö 1860-1985*. Lund University Press.

Clarke and Ginsburg, N. 1976: 'The political economy of housing'. In PEHW (1976).

Clarke, L. 1980: 'The importance of a historical approach: changes in the construction industry'. In Bartlett (1980).

- Clarke, L. 1981: 'Subcontracting in the building industry' in Bartlett (1981).
- Clutterbuck, C. and Lang, T. 1982: *More Than We Can Chew. The Crazy World of Food and Farming*. London: Pluto.
- Cochrane, A. 1987: 'What a difference the place makes: the new structuralism of locality'. *Antipode* 19(3): 354-363.
- Colclough, J. 1965: *The Construction Industry of Great Britain*. London: Butterworths.
- Cooke, P. 1981: 'Local class structure in Wales'. *Papers in Planning Research*. Cardiff: University of Wales Institute of Science and Technology.
- Cooke, P. 1987: 'Clinical inference and geographic theory'. *Antipode* 19(1), 69-78.
- Cooney, E. 1949: 'Capital exports and investment in building in Britain and the USA'. *Economica* XVI
- Couch, C. 1988: 'Aspects of structural change in speculative housing production: a case study in Merseyside'. *Environment and Planning A* 20: 1385-1396.
- Craig, F. 1983: *British Parliamentary Election Results, 1950-1973*. London: Macmillan.
- Craig, F. 1984: *British Parliamentary Election Results, 1974-1983*. London: Macmillan.

- Crewe, I. and Fox, A. 1984: *British Parliamentary Constituencies: a statistical compendium*. London: Faber.
- Davis, J. 1980: 'Capitalist agricultural development and the exploitation of the propertied laborer'. In Buttel and Newby (1980).
- Deane, P. and Cole, W. 1967: *British Economic Growth 1688-1959*. Cambridge: Cambridge University Press.
- Deeks, R. no date: *The Matmaker and the Magistrate*. Halstead, Colne Valley Printers.
- Dickens, P.; Duncan, S.; Goodwin, M.; Gray, F. 1985: *Housing, States and Localities*. London: Methuen.
- Dobb, M. 1963: *Studies in the Development of Capitalism*. London: Routledge and Kegan Paul.
- Douglas, R. 1976: *Land, People and Politics. The Land Question in the United Kingdom, 1878-1952*. London: Allison and Busby.
- Duncan, S. 1986: 'What is locality?'. *University of Sussex Working Paper in Urban and Regional Studies* No. 51.
- Duncan, S. and Goodwin, M. 1988: *Uneven Development and the Local State*. London: Polity.
- Edel, M. 1976: 'Marx's theory of rent: urban applications'. In PEHW (1976).
- ESRC 1985: 'The changing urban and regional system in the

UK'. *Research Programme Bulletin No.1*. London: Economic and Social Research Council.

Evans, A. 1988: *No Room! No Room! The Costs of the British Town and Country Planning System*. London: Institute of Economic Affairs.

Feinstein, C. 1965: *Domestic Capital Formation in the United Kingdom, 1920-1938*. Cambridge: Cambridge University Press.

Fine, B. 1979: 'On Marx's theory of agricultural rent'. *Economy and Society* 8(3), 241-277.

Fine, B. 1980: 'On Marx's theory of agricultural rent: a rejoinder'. *Economy and Society* 9(3), 327-331.

Fine, B. 1985: 'Land, capital and the British coal industry prior to World War II'. In Ball et al (1985).

Fleming, M. 1966: 'The long-term measurement of construction costs in the United Kingdom'. *Journal of the Royal Statistical Society* 129(4): 534-556.

Fothergill, S. and Gudgin, G. 1982: *Unequal Growth. Urban and Regional Employment Change in the UK*. London: Heineman.

Fothergill, S., Gudgin, G., Kitson, M., Monk, S. 1986: 'The deindustrialisation of the city'. In Martin and Rowthorn (1988).

Friedmann, H. 1978: 'Simple commodity production and wage labour in the American plains'. *Journal of Peasant Studies* 6(1), 71-100.

Friedmann, H. 1980: 'Household production and the national economy: concepts for the analysis of agrarian formation'. *Journal of Peasant Studies* 7(2), 158-184.

Friedmann, H. 1981: 'The family farm in advanced capitalism: outline of a theory of simple commodity production in agriculture'. Paper presented to the American Sociological Association conference, Toronto, August 1981.

Fudge, C.; Lambert, C.; Underwood, J.; Healey, P. 1983: 'Speed, economy and effectiveness in local plan preparation and adoption'. *University of Bristol School for Advanced Urban Studies Occasional Paper* No.11.

Gallie, D. 1985: 'The SCEL initiative: a provisional overview'. Conference proceedings of the British Society for Population Studies. *OPCS Occasional Paper* No. 34.

Gauldie, E. 1974: *Cruel Habitations. A History of Working Class Housing, 1780-1918*. London: Allen and Unwin.

Giddens, A. 1976: *New Rules of Sociological Method*. London: Hutchinson.

Giddens, A. 1979: *Studies in Social and Political Theory*. London: Hutchinson.

Giddens, A. 1981: *A Contemporary Critique of Historical Materialism*. London and Basingstoke: Macmillan.

Glass, K. 1962: *A History of Glemsford*. Unpublished manuscript.

Glyde, J. 1856: *Suffolk in the Nineteenth Century*. London.

Goodman, D. and Redclift, M. 1985: 'Capitalism, petty commodity production and the farm enterprise'. Paper presented at the Rural Economy and Society Study Group Conference, January 1985.

Goodwin, M. 1985: 'Housing provision and the locality'. In Dickens et al (1985).

Gottdiener, M. 1985: *The Social Production of Urban Space*. Austin: University of Texas Press.

Gould, A. and Keeble, D. 1984: 'New firms and rural industrialization in East Anglia'. *Regional Studies* 18, 189-201.

GPC 1977: unpublished note, Glemsford Parish Council.

Gray, R. 1977: 'Bourgeois hegemony in Victorian Britain' in Bloomfield, J. (ed.) *Papers on Class, Hegemony and Party*. London: Lawrence and Wishart.

Gregory, D. and Urry, J. (eds.) 1985: *Social Relations and Spatial Structures*. London: Macmillan.

Gregson, N. 1987: 'The CURS initiative: some further comments'. *Antipode* 19(3): 364-370.

Habbakuk, H. 1962: 'Fluctuations in house-building in Britain and the US in the nineteenth century'. *Journal of Economic History* 22: 198-230

- Hall, P. 1974: *Urban and Regional Planning*. Harmondsworth: Penguin.
- Hamnett, C. 1983: 'Regional variations in house prices and house price inflation 1969-81'. *Area* 13: 189-196.
- Harrison, A. 1975: 'Farmers and farm businesses in England'. *Department of Agriculture, Economics and Management Miscellaneous Study No.62*. University of Reading.
- Harrison, A., Tranter, R., Gibbs, R. 1977: 'Landownership by public and semi-public institutions in the UK'. *Centre for Agricultural Strategy Paper 3*. University of Reading.
- Harvey D. 1973: *Social Justice and the City*. London: Edward Arnold.
- Harvey, D. 1974: 'Class-monopoly rent, finance capital and the urban revolution'. *Regional Studies* 8: 239-255.
- Harvey, D. 1978: 'The urban process under capitalism: a framework for analysis'. *International Journal of Urban and Regional Research* 2
- Harvey D. 1982: *The Limits to Capital*. Oxford: Basil Blackwell.
- Harvey D. 1985: *The Urbanization of Capital*. Oxford: Basil Blackwell.
- Harvey, D. and Chatterjee, L. 1974: 'Absolute rent and the institutions'. *Antipode* 6(1): 22-36.

- Healey, M. and Ilberry, B. (eds.) 1985: *The Industrialization of the Countryside*. Norwich: Geo Books.
- Healey, P.; Davis, J.; Wood, M.; Elson, M. 1982: *The Implementation of Development Plans. Report of an Exploratory Study for the Department of the Environment*. Oxford Polytechnic, Department of Town Planning.
- Hedley, M. 1981: 'Relations of production of the "family farm": Canadian Prairies'. *Journal of Peasant Studies* 9(1), 71-85.
- Higgins, J. and Pollard, S. (eds.) 1969: *Aspects of Capital Investment in Great Britain, 1750-1850. A Preliminary Survey*. London: Methuen.
- HMSO 1979a: *Report of the Committee of Inquiry into the Acquisition and Occupancy of Agricultural Land*. (The Northfield Report). London HMSO: Cmnd.7599.
- HMSO 1979b: *Farming and the Nation*. HMSO: Cmnd.7458.
- HMSO 1980: *House of Commons Environment Committee. First Report, 1979-1980 Session*. HC714.
- Hobsbawm, E. 1969: *Industry and Empire*. Harmondsworth: Penguin.
- Hobsbawm, E. 1977: *The Age of Capital*. London: Abacus.
- Hobsbawm, E. and Rudé, G. 1969: *Captain Swing*. London: Lawrence & Wishart.

- Holderness, B. 1969: 'Capital formation in agriculture'. In Higgins and Pollard (1969).
- Horn, P. 1971: *Joseph Arch (1826-1919): the farm workers' leader*. Kineton: Roundwood Press.
- Ive, G. 1981: 'Capital accumulation, the built stock and the construction sector: an economic review' in Bartlett (1981).
- Jackson, A. 1973: *Semi-detached London. Suburban Development, Life and Transport, 1900-39*. London: Allen and Unwin.
- Jefferies, R. (ed. by Pearson, J.) 1979: *Landscape and Labour*. Bradford-on-Avon: Moonraker Press.
- Jenkins, R. 1979: *The Road to Alto*. London: Pluto.
- Kamenka, E. and Neale, R. (eds.) 1975: *Feudalism, Capitalism and Beyond*. London: Edward Arnold.
- Keeble, D. 1980: 'Industrial decline, regional policy and the urban-rural manufacturing shift in the UK'. *Environment and Planning A*, 12: 945-962.
- Kemp, P. 1984: *The Transformation of the Urban Housing Market in Britain, c.1885-1939*. D.Phil. Thesis, University of Sussex.
- Lang, T. and Wiggins, P. 1985: 'The industrialization of the UK food system: from production to consumption'. In Healey and Ilberry (1985).

- Lee, C. 1981: 'Regional growth and structural change in Victorian Britain'. *Economic History Review* 34(3): 438-52.
- Lefebvre H. 1976: 'Reflections of the politics of space'. *Antipode* 8: 30-37.
- Lefebvre, H. 1981: *La Production de l'Espace*. Paris: Anthropos.
- Lipietz, A. 1974: *Le Tribut Foncière Urbaine*. Paris: Maspero.
- Lomax, K. 1959: 'Production and productivity movements in the UK since 1900'. *Journal of the Royal Statistical Society*
- Lund, P. and Slater, J. 1979: 'Agricultural land: its ownership, price and rent'. *Economic Trends* 314, 97-109.
- MAFF 1978: *Farm Incomes in England and Wales, 1976-77*. Ministry of Agriculture, Forestry and Fisheries.
- MAFF (various dates): *Annual Review of Agriculture*. Ministry of Agriculture, Forestry and Fisheries.
- MAFF 1986: 'Farm management survey in *Farm Incomes in the United Kingdom. 1986 Edition*. Ministry of Agriculture, Forestry and Fisheries.
- Mandel, E. 1976: 'Introduction'. In Marx (1976).
- Mann, S. and Dickinson, J. 1978: 'Obstacles to the development of a capitalist agriculture'. *Journal of Peasant Studies* 5(4), 446-481.

Manning-Press, C. 1906: *Suffolk Leaders. Social and Political*. London.

Markusen, A. 1978: 'Class, rent, and sectoral conflict: uneven development in western US boomtowns'. *Review of Radical Political Economy* 10(3): 117-129.

Marshall, M. 1987: *Long Waves of Regional Development*. London: Macmillan.

Martin, R. and Rowthorn, B. (eds.) 1986: *The Geography of Deindustrialisation*. London and Basingstoke: Macmillan.

Marx, K. 1973a: *Grundrisse*. Harmondsworth: Penguin.

Marx, K. 1973b: *Surveys from Exile*. Harmondsworth: Penguin.

Marx, K. 1975: 'Economic and philosophic manuscripts'. In Marx K. *Early Writings*. Harmondsworth: Penguin.

Marx, K. 1976: *Capital, Volume 1*. Harmondsworth: Penguin.

Marx, K. 1981: *Capital, Volume 3*. Harmondsworth: Penguin.

Massey, D. 1984: *Spatial Divisions of Labour. Social Structures and the Geography of Production*. London: Methuen.

Massey, D. and Catalano, A. 1978: *Capital and Land. Landownership by Capital in Great Britain*. London: Edward Arnold.

Massey, D. 1988: 'What's happening to UK manufacturing?'. In Allen and Massey (1988).

- Massey, D. and Meegan, R. 1982: *The Anatomy of Job Loss*. London: Methuen.
- Matthews, R.; Feinstein, C.; Odling-Smee, J. 1982: *British Economic Growth*. Oxford: Clarendon Press.
- Maywald, K. 1954: 'An index of building costs in the United Kingdom, 1845-1938'. *Economic History Review* 7(2): 187-203.
- McIvor, A. 1988: 'Work, wages and industrial relations in cotton finishing, 1880-1914'. In Jowitt, J. and McIvor, A. (eds.) *Employers and Labour in the English Textile Industries, 1850-1939*. London: Routledge.
- McMahon, M. 1985: 'The law of the land'. In Ball et al (1985).
- Merrett, S. 1979: *State Housing in Britain*. London: Routledge and Kegan Paul.
- Merrett, S. and Gray, F. 1982: *Owner Occupation in Britain*. London: Routledge and Kegan Paul.
- Mingay, G. 1963: *English Landed Society in the Eighteenth Century*. London: Routledge and Kegan Paul.
- Mitchell, B. and Dean, P. 1962: *Abstract of British Historical Statistics*. Cambridge: Cambridge University Press.
- Munton, R. 1985: 'Investment in British agriculture by the financial institutions'. *Sociologia Ruralis* XXV (2), 155-173.

Murray, R. 1977: 'Value and theory of rent: part I'. *Capital and Class* 3, 100-122.

Murray, R. 1978: 'Value and theory of rent: part II'. *Capital and Class* 4, 11-33.

Newby, H. 1977: *The Deferential Worker*. Harmondsworth: Penguin.

Newby, H. 1980a: 'Urbanization and the rural class structure: reflections on a case study'. In Buttel and Newby (1980).

Newby, H. 1980b: *Green and Pleasant Land: social change in rural England?* Harmondsworth: Penguin.

Newby, H., Bell, C., Saunders, P., Rose, D. 1978: *Property, Paternalism and Power: class and conflict in rural England*. London: Hutchinson.

Nicholson, R. and Topham, W. 1971: 'The determinants of investment in housing by local authorities: an econometric approach'. *Journal of the Royal Statistical Society A* 134, 272-303.

Offer, A. 1981: *Property and Politics: the land question in Britain, 1896-1914*. Cambridge: Cambridge University Press.

OPCS 1981: *OPCS Monitor CEN 81/3*. London: Office of Population, Censuses and Surveys.

Pahl, R. 1984: *Divisions of Labour*. Oxford: Blackwell.

Parry-Lewis, J. 1965: *Building Cycles and Britain's Economic Growth*.

PEHW 1975: *Political Economy and the Housing Question*.
London: Conference of Socialist Economists, Political
Economy of Housing Workshop.

PEHW 1976: *Housing and Class in Britain*. London: Conference
of Socialist Economists, Political Economy of Housing
Workshop.

PEHW 1980: *Housing, Construction and the State*. London:
Conference of Socialist Economists, Political Economy of
Housing Workshop.

Perkin, H. 1969: *The Origins of Modern English Society, 1780-1880*. London: Routledge and Kegan Paul.

Perkin, H. 1973: 'Land reform and class conflict in
Victorian Britain' in Butt, J. and Clark, I. (eds.) *The
Victorians and Social Protest*. Newton Abbot: David and
Charles.

Perry, P. (ed.) 1973: *British Agriculture, 1875-1914*.
London: Methuen.

Pollard, S. 1983: *The Development of the British Economy
1914-1980*. London: Edward Arnold.

Pollard, S. 1985: 'Capital exports, 1870-1914: harmful or
beneficial?'. *Economic History Review* 38(4): 489-513.

Prais, S. 1976: *The Evolution of the Giant Firms*. Oxford; Oxford University Press.

Rees, G. 1985: 'Introduction: class, locality and ideology'. In Rees, G. (ed.) *Political Action and Social Identity*. London: Macmillan.

Saul, S. 1962: 'House building in England, 1890-1914'. *Economic History Review* 15: 119-137.

Saul, S. 1985: *The Myth of the Great Depression, 1873-1896*. (2nd. ed.). Basingstoke: Macmillan.

Savage, M.; Barlow, J.; Duncan, S.; Saunders, P. 1987: '"Locality research": the Sussex Programme on Economic Restructuring, Social Change and the Locality'. *Quarterly Journal of Social Affairs* 3(1), 27-51.

Sayer, A. 1984a: *Method in Social Science*. London: Hutchinson.

Sayer, A. 1984b: 'Defining the urban'. *Geojournal* 9, 279-285.

Sayer, A. 1985: 'The difference that space makes'. In Gregory, D. and Urry, J. (eds.) *Social Relations and Spatial Structures*. London and Basingstoke: Macmillan.

Scott, A. and Storper, M. 1988: 'The geographical foundations and social regulation of flexible production systems.' In Wolch, J. and Dear, M. (eds.) *Territory and Social Reproduction*. London: Allen and Unwin.

- Scott, J. 1986: *Capitalist Property and Financial Power. A Comparative Study of Britain, the United States and Japan*. Brighton: Wheatsheaf.
- Scott, J. and Griff, C. 1984: *Directors of Industry. The British Corporate Network, 1904-1976*. Cambridge: Polity.
- Short, J.; Fleming, S.; Witt, S. 1986: *Housebuilding, Planning and Community Action. The Production and Negotiation of the Built Environment*. London: Routledge.
- Smith, N. 1979a: 'Towards a theory of gentrification: a back to the city movement by capital not people'. *Journal of the American Planning Association* 45: 538-545.
- Smith, N. 1979b: 'Gentrification and capital: practice and ideology in Society Hill'. *Antipode* 11: 24-35.
- Smith, N. 1984: *Uneven Development. Nature, Capital and the Production of Space*. Oxford: Basil Blackwell.
- Smith, N. 1986: 'Gentrification, the frontier, and the restructuring of urban space'. In Smith, N. and Williams, P. (eds.) *Gentrification and the City*. London: Allen and Unwin.
- Smith, N. 1987: 'Dangers of the empirical turn: some comments on the CURS initiative'. *Antipode* 19(1), 69-68.
- Smyth, H. 1985a *Property Companies and the Construction Industry in Britain*. Cambridge: Cambridge University Press.
- Smyth, H. 1985b 'Land supply, housebuilders and government policies'. *University of Bristol School of Advanced Urban*

Studies Working Paper No.43.

Soja E. 1985: 'The spatiality of social life: towards a transformative retheorisation'. In Gregory and Urry (1985).

Spring, D. 1971: 'English landowners and 19th. century industrialism' in Ward and Wilson (1971).

Thomas, B. 1954: *Migration and Economic Growth*. Cambridge University Press.

Thompson, E. 1968: *The Making of the English Working Class*. Harmondsworth: Penguin.

Thompson, F. 1963: *English Landed Society in the Nineteenth Century*. London: Routledge and Kegan Paul.

Thrift, N. 1987: 'Manufacturing rural geography?' *Journal of Rural Studies* 3(1): 77-81.

Topalov, C. 1985: 'Prices, profits and rents in residential development: France 1960-1980'. In Ball et al (1985).

Tribe, K. 1978: *Land, Labour and Economic Discourse*. London: Routledge and Kegan Paul.

Urry, J. 1981: 'Localities, regions and social class'. *International Journal of Urban and Regional Research* 5(4), 455-474.

Urry, J. 1985: 'Rurality, restructuring and recomposition'. In Bradley and Lowe (1985).

Vallis, E. 1972: 'Urban land and building prices. Parts I-IV'. *Estates Gazette* 222: 1015-19, 1209-13, 1406-7, 1604-5.

VCH 1908: *Victoria History of the County of Suffolk*. (3 Vols.).

Wallace, I. 1985: 'Towards a geography of agribusiness'. *Progress in Human Geography* 9, 491-514.

Ward, S. 1988: *The Geography of Interwar Britain: the state and uneven development*. London: Routledge.

Ward, J. and Wilson, R. (eds.) 1971: *Land and Industry: the landed estate and the industrial revolution*. Newton Abbot: David and Charles.

Warde, A. 1985: 'Comparable localities: some problems of method'. In Murgatroyd, L.; Savage, M.; Shapiro, D.; Urry, J.; Walby, S.; Warde, A. *Localities, Class and Gender*. London: Pion.

Weber, B. 1955: 'A new index of residential construction, 1838-1950'. *Scottish Journal of political Economy* 2: 131-132.

Weir, A. 1977: 'Activity in the land market'. *The Farmland Market* 8, 17-19.

Whatmore, S. 1983: *Financial Institutions and the Ownership of Agricultural Land*. M.Phil. Thesis, University of London.

Williams, R. 1975: *The Country and the City*. St. Albans:
Palladin.

Workshop 3 1981: 'Land, rent and housing'. Bartlett (1981).

Wormell, P. 1978: *Anatomy of Agriculture: a study of
Britain's greatest industry*. London: Harrap.

Young, A. 1804: *General View of the Agriculture of the
County of Suffolk*. London.